THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

March 15, 1947

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AN EDITORIAL

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French Political Life

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AN EDITORIAL

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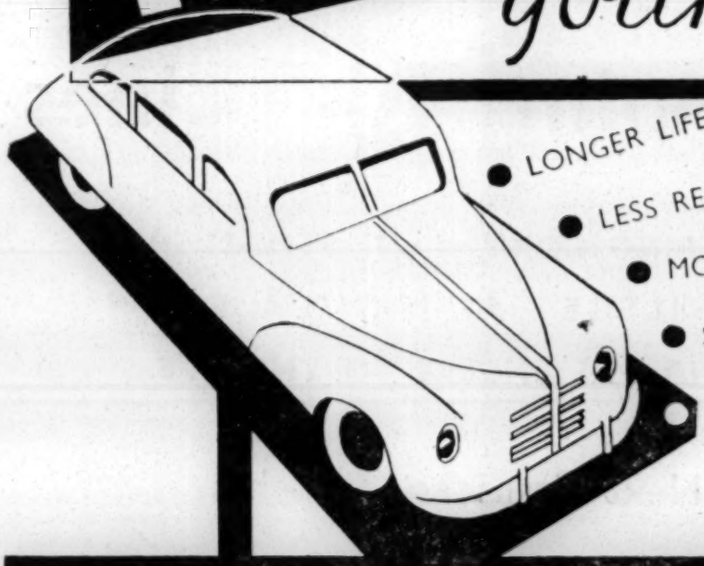

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

Whited Sepulcher?

To The Editor:

In your latest issue, I came across an "excellent" letter written by Mr. Lam, His composition is beautiful and reads fluently but, as I see it, it looks just like a well-embroidered pillow with a charming cover, yet a worm-eaten packing.

Reading his "compassionate" words, I was puzzled by the kindly suggested proverb: "Emotionalism has its limitations."

Yes, we have been brutally attacked by special agents, and ruthlessly treated (but these are nothing), our schoolmates have been mercilessly struck down, and one student was raped and then further insulted (just keep quiet and forget them). Do all these mean limitations?

We are traditionally tolerant, but we are not born to be slaves. As members of an independent nation and citizens of a country termed democratic, we have the right to ask for freedom, to demonstrate against violence, to love peace and to hate war.

Mr. Lam reminds us that we have a duty to our country, to dig deep into the books, and to seek for no more. Yet is it possible for us to study on smoothly, ill-fed and with the prospect of graduating jobless. We want to live, that is why we demonstrate. We yearn for a bright future, therefore we hate war.

It is supposed that we are weak and unable to cope with such an unfavorable situation. But, for my part, truth is more precious than life. Whatever is real and right, I will do. This much I will say: We would rather die standing than live suppressed.

I would point out that it was the action of youth that awoke the people and prevented then from accepting all the notorious 21 Demands. It is the work of the younger generation to develop their capacity and struggle for a bright future, and it may be through the efforts of students that a strong, peaceful and democratic China will materialize.

FU WEN-YI.

Shanghai,
March 10, 1947.

THE CHINA WEEKLY REVIEW

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People's Power

To The Editor:

In spite of the fact that the two major parties, Kuomintang and Communist, have been fighting each other for so many years, both claiming that their side is fighting for the Chinese people, these two parties are really afraid of the *powers of the people.*

Once the people have power over their own affairs, no party will be able to make trouble, but will have to execute the people's will. If the people do not want war, no party will dare to fight.

This clearly shows why a really democratic government in China is so much feared. They may cry that it is necessary "to form a genuine democratic government," yet in their hearts "democratic" is a term only, and "genuine" at best exists only superficially.

So, under these circumstances we can nowhere see the manifestation of the real powers of the people, except in the large scale student demonstrations. It is clear that when the people rise up the parties will go down with their own interests.

It seems a very simple matter to rouse the people and let them organize themselves in order to bring the present troubles of the nation to an early conclusion. However, it is much easier to talk about than to accomplish. We, the truly fortunate educated, hope to unite

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PUBLISHED AT 160 CHUNG CHENG ROAD (EASTERN), SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE, U.S.A. REGISTERED AT THE CHINESE POST OFFICE AS A NEWSPAPER FOR TRANSMISSION WITH SPECIAL MARKS PRIVILEGES IN CHINA.

Contents of previous issues of The China Weekly Review may be found in the "International Index of Periodicals," copies of which are on file in most standard libraries.

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and exert our utmost power to carry out the wishes of our unfortunately illiterate millions.

Do you think we are allowed to do that by our rulers? Absolutely not. This is a hard nut to crack. It is a fact that in areas under the Kuomintang, people have no freedom to hold political gatherings. If one wants to hold a meeting for some purpose, it is first of all necessary to register with the local Kuomintang headquarters; then they will send a man, a so-called "director" or "guide" to supervise the meeting. Under the influence of this man the meeting will count as nothing. But if one does not register, and holds a meeting without permission, the meeting may be regarded as "unlawful," and there is a danger of imprisonment.

As I have never been to any so-called *"Liberated Area,"* I cannot venture an opinion, but I am told that there the same thing is done by the Communists. If the people want to have a meeting, there may be no director present, but he is active in the background. It seems that neither party thinks that the people really need to assert themselves, because each "represents their wishes."

I wish to add that the people, because of their lack of education, seem to lack strength also. The great majority of them simply don't know that they could do something in national affairs. It cannot be denied that the people possess the ability to do their own affairs best, but as things are their rulers do not wish to allow this, because of the secret dread they have of the people's tremendous power which is bound to undermine party interests.

P. Y. WANG.

Pucheng, Shensi,
March 1, 1947.

An UNRRA Reply

To The Editor:

I have read with interest your editorial on "UNRRA's Failure." What interests me most is the paragraph regarding construction machinery. You state that giant bulldozers, tractors, and all types of construction machinery can only be operated by highly skilled American technical operators. This, I am afraid, is not true, as in the organization of which I am Deputy Director we are training Chinese personnel to operate all types of road construction equipment. Up to the present time our training school has turned out approximately 400 Chinese heavy equipment operators. These students come in to us from various parts of the country.

They go through a course lasting approximately 13 to 14 weeks. This course is composed of the following operations:—Basic Engine, Basic Chassis, Truck Driving, Diesel Engine, Lubrication and Maintenance, Tractor Assembly and Disassembly, Reassembly and Civil Engineering. Each student goes through an extensive course under foreign advisers. These advisers are loaned from UNRRA, and are composed of all nationalities—American, Canadian, British, etc.

We find that the students are extremely anxious to learn the mechanical side of highway construction and are very quick to learn. I can say quite honestly that given the experience on the road and the actual working conditions, we can turn out as good an operator as any other country.

With regard to the rusting and rotting equipment which you state is lying in huge dumps, you must remember that this equipment was given to China and came from various dumps which the United States Army set up on the "Islands." Before this equipment can be passed out to road construction teams it must be serviced and repaired, and what you probably saw lying in dumps is actually

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waiting its time to go through the repair shop.

We have at the present time seven teams composed of Chinese and foreign advisers on various road construction projects, and the machinery is rapidly being passed out to them.

With regard to the monstrous machine with "wheels as big as a room," I would point out to your Chinese friend that this is what we call a trench digger, and is being put to admirable use in various parts of the country in road construction for digging trenches, which can be done by this machine in a fraction of the time it takes coolie labor to do it.

The roads in China are one of our most important items in rehabilitation, and with the machinery and equipment which we have, we hope within the next few years to build highways over which the traffic which China's trade needs can flow.

We would also like to point out that one of the reasons why so much equipment is lying at our compound is that spare parts which are most necessary on the repair side, have still to be allocated to us from the CNRRA organization. When we have our total requirements of spare parts and machinery for the repair and servicing of this equipment, the servicing can be done much quicker and the huge dumps of machinery will flow out to our road projects. We have been waiting a long time for these spare parts and machinery and they are gradually coming to us.

We also require further foreign technicians for the training program and in advisory capacities to teach the Chinese personnel how to maintain, operate and repair the equipment. Our program is very large as you can well imagine, as we cover the repair, maintenance and rebuilding of all national highways, bridges, air strips, etc. throughout the whole of China.

If you would like at any time to come and visit us at Chinan University, we will be pleased to point out to you and show you our various operations, but we would be pleased if before you write editorials showing one side of the picture you should also try and study the other side.

C. P. GIHON (UNRRA),
Deputy Director,
First Engineering Force.
National Highway Admn.,
Ministry of Communications.

Chenju, Shanghai,
March 5, 1947.

Who Is Our Prophet?

To The Editor:

From the Old Testament we can see that whenever the People of Israel were in trouble—degenerating morally, or facing a stronger enemy who threatened to conquer them—there were always prophets who rose to the occasion and to speak out a message from God. Sometimes they were heard and heeded, but often they were disregarded and mocked, or even persecuted or killed. Nevertheless, none of them failed in the mission God had entrusted to them.

China today presents a pathetic picture of misery and ugliness unprecedented in her history. Politically, she is in a deadlock from which she is unable to disentangle herself. Her people, so pleased when "victory" finally came, dreamed of happier days ahead, but now find bloodshed, and devastation on a greater scale in her already wasted land. The abyss between the two contending parties would take all the dead bodies of her people to fill, before a bridging is possible. Economically, she is in a perfect chaos, nay, worse than chaos. Chaos is simply without order, while this situation is created by "orders" and maneuverings of a privileged class.

Morality is even worse. There seems to be no difference between right and wrong. Everyone has his own code of morality, which changes with the times. There is no sense of duty, responsibility or honor, even the time-honored "face" has lost its meaning. Self-interest, which is downright meanness, prevails everywhere. Money is everything, not CNC now, but gold and greenbacks are the only things that count.

This is really a picture to depress even the most stout-hearted optimist. Yet nobody should be very much surprised at the present situation, for it is just the whirlwind that we are reaping from the wind we have sown. But the startling thing to me, as a Christian, is the complete silence being maintained by Christians.

While criticisms on current issues have frequently appeared in liberal papers such as *Ta Kung Pao*, *Wen Wei Pao* and the *China Weekly Review*, by non-Christians, no Christian, especially the prominent and influential ones to whom we all look up, has voiced his opinion from a Christian's point of view. No one has pointed out the direction in which we should go. In short, no one has taken up the responsibility of a prophet to aid the nation.

Is it because we do not know that we have such a responsibility? Is it because we are so absorbed with our own petty problems that we have forgotten the rest of the world? Is it because we are afraid of getting into difficulties? Or is it because we Christians have degenerated so far that nobody cares a straw about what we have to say, so that we might as well say nothing? "Silence is golden," indeed!

There are supposed to be 1,000,000 Christians in China today. It becomes significant when we consider that most of them are more or less educated. As Christians, we must have a say in cur-

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rent affairs and distinguish right from wrong. Our voices must be heard amid the tumult of war. It is for our own interest, because after all, we Christians are affected just as much as anybody else by happenings in our national life.

It is really a disgrace to all of us that while others have spoken out boldly, we Christians who ought to have a stronger sense of justice, and a deeper love for truth, pass everything by with a mere shrug of our shoulders. Our country is on the verge of a breakdown. Who is our prophet? It is a challenge to us—a challenge that we cannot possibly afford to ignore!

YU WEI LIANG.

Tsinan, Shantung,
March 1 , 1947.

Friend Of China

To The Editor:

I was sadly struck by the news of Mr. J. B. Powell's death in America. For 25 years he had been writing to support China's cause, for which he almost paid with his life when the Japanese imprisoned him after Pearl Harbor.

He has done a great deal to make China better understood all over the world. Indeed, he was one of her faithful old friends. His death is not only a great loss to this country but to the whole world.

I was particularly mournful when I thought of the present civil war into which this country has so pitiably fallen, after eight years of life and death struggle. J. B. Powell spared no effort to advocate democracy for China, but we find ourselves still far from it.

I have been a faithful reader of the *Review* since 1936, and always read through its independent, finely worded editorials as soon as it reached me. So somehow J. B. Powell's name always meant hope and excitement to me.

Though he leaves his worthwhile work to J. W. Powell, I shall be sorry to see his name removed from the *Review*.

DUNCAN LEE.

Kaifeng, Honan,
March 3, 1947.

"Big Potato"

To The Editor:

Unusual incidents are not uncommon in China, and Kaifeng, the capital of Honan Province, the political, cultural and educational center, is no exception. What happens in Kaifeng is trivial in the minds of the big potatoes, but a straw shows clearly in what direction the wind blows.

At 12.30 a.m. on February 20, all the telephones in the city were suspended. It was simply because an official, the head of one bureau of the Honan Provincial Government, wanted the Provincial Telephone Administration to connect him with the San Min Chu I Youth Corps. The number was called as demanded, but nobody in the said Corps was on duty, as office hours were already past. It was, of course, impossible for the Bureau to command anybody of the Corps to receive the official's message.

Consequently, the "honorable" official was exceedingly irritated. He pranced to the Telephone Administration and came upon the operator, Miss Tao Hua Wen, aged 16, who was on duty. Before she could escape he fell on her like a hawk on a dove. He pulled her hair so cruelly and flogged her so "heroically" with his herculean strength that she, being a weak vessel, could but kneel down and plead for the "honorable"

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his pardon. But he smote her all the same.

Her colleagues, also girls, came up to entreat his "amnesty" for Miss Tao, but they, too, were beaten blue and red without exception—bleeding, crying, shrieking and groaning. His "chivalrous" act over, the "honorable" official strutted away as valiantly and victoriously as a "knight" from the front.

Miss Tao, the only child of her parents, was seriously injured, and carried to the Honan Provincial Hospital.

Is this the significance of the newly promulgated constitution? Is this respect for human rights? Both the official and Miss Tao are civil servants of the same government. Why should the one in the higher position be qualified to oppress the one in the lower position, especially one of the gentle sex?

What happened in Kaifeng is happening in every corner of this province. If one crime is going on in this city, surely a hundred or even a thousand are taking place in the 111 remote hsiens of Honan. Think of the Pao chief, the head of the smallest political unit, the real omnipotent king in the village, in whose hands lies the power of life and death.

IVAN THE FOOL.

Kaifeng, Honan,
February 28, 1947.

Forced Contributions

To The Editor:

It is a most incredible thing, but a matter of fact, that none of the liberal Chinese newspapers other than the *Ta Kung Pao* can be bought here in Tsingtao. However, we are fortunate in being able to see irregular issues of your esteemed periodical.

We are convinced that only in such police-bureaucracy-controlled countries is censorship reinforced, and freedom of the press an absurd farce repeatedly on the lips of despotic rulers for the benefit of alien visitors and notables.

As members of the staff of a government organization long reputed for its administrative efficiency throughout this country, we are accustomed to being vigilant in our official duties and acting in strict accordance to the standing regulations and laws.

But in the recent case of compulsory contribution to the Kuomintang's so-called fund-raising campaign, we were greatly agitated almost to the point of breaking off our historic traditions. It happened thus:

The officer-in-charge of our organ was directed, by order of his immediate superior, to instruct each of us to sign for the appropriation of at least CNC$5,000, from the pay and allowances for the following month, for the said damned cause. Though non-participants in any political movement, we had to donate against our will a part of our hard-earned salaries, lest any of us be blacklisted by the authorities or dubbed "Communist."

An old Chinese proverb says that a weak individual once under pressure of some injustice may be spontaneously angered, but dare not defy his opponent. So it is with us.

In brief, this is the character of all our people who tolerate the survival of the present regime, and the prolongation of the civil war. Dear compatriots, why do we not make a good account of ourselves, and so end the chaos of today.

NINETY-NINE ENRAGED KUNG-WU-YUAN

Tsingtao, Shantung,
March 8, 1947.

Full Of Fear

To The Editor:

I hope that Americans are paying attention to the many incidents which have occurred in China recently. Students in Chungking were beaten by secret policemen. In Shanghai Mr. Liang, an employee, was killed. And the papers say that many, many students and residents in Peiping were arrested. How terrible it all is!

Americans, our friends, can you tell me of any country so full of fear as China in this post-war world? Do you believe that China's Government will give freedom to the Chinese people? Do you believe that China's Government is a Democratic Government?

My English is not good, but I feel I must write this letter explaining my views.

Y. T. WU.

Nanking,
February 20, 1947.

Soong Should Report

To The Editor:

The recent mad price-soaring in commodities and gold, forced Dr. T. V. Soong to resign as chief of the Executive Yuan, and he reluctantly made his first appear-

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ance at a meeting of the Legislative Yuan since his assumption of the Premiership.

After making a lengthy report, answering the charges made by the Legislative members, he said indignantly that he would say no more, since he was already out of office.

It seems that Dr. Soong should have much to say, and for the people's sake I should like Dr. Soong to make a statement of his depressed sentiments and reveal the reasons for the way in which he has handled China's economic affairs. If it is proved to be a mere excuse for his incompetence, and that he shirked his responsibility, a suitable punishment should be meted out to him, as demanded by the PPC and the Legislative Yuan.

Anyone acquainted with China's politics knows that there seems to be a "round shift" of a few big shots in the National Government, each waiting his turn to be appointed. Having done considerable damage to what he was assigned to do, he may resign leaving everything in a mess behind him. Then immediately upon his resignation, he will be appointed to some other greater new position, even though he is entirely ignorant of his new work.

Dr. Soong resigned "in indignation." Many may attack him and demand that he be severely punished, or claim that his properties be liquidated, but I should like to forecast that not only will no punishment be meted out to him, but another high position is even now awaiting him. May my prophecy be not realized.

SHIH-EN CHANG.

Kaifeng, Honan,
March 3, 1947.

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A Weekly Newspaper Established in 1917

The editorial pages present each week the opinions of the editor. The other pages of The China Weekly Review are written by the other members of the staff and the contributing editors who report and interpret the news irrespective of the views expressed in the editorials.

Vol. 105 Shanghai, Saturday, Mar. 15, 1947 No. 3

Reforms For Taiwan

OUR warning of last week has had ample corroboration during the past several days. The Taiwanese are no longer satisfied with "face saving" and more paper rights. What they now ask is full-fledged independence, or else.....

That the "zero hour" has arrived in Taiwan is best borne out by the fact that the Generalissimo, despite pressing duties in many other fields, has now taken personal charge of the national government's policy in the Taiwan problem. But this will not be enough unless and until Nanking removes Governor Chen Yi and shakes up the Taiwan government from the top rung of the administrative ladder to the very bottom of the corrupt, inefficient bureaucracy.

A week ago only the critics could hurl charges at the insular government. Now their charges have been corroborated by no less a person than the head of the Kuomintang Party in Taiwan. Last weekend Lin Chi-chung, Director of the Kuomintang Party Headquarters in Taiwan, admitted that the following state of affairs prevailed on the island at present:—

1) A year-old official aloofness by the government toward the people.
2) Unscrupulous activities of a "small" number of corrupt officials.
3) The "inability" of the Taiwanese to *understand* the government's economic policy.

Recognizing these symptoms of public dissatisfaction, Lin promptly predicted that "peace and order" would soon be restored. Just how this was going to be accomplished, Lin failed to reveal. On the same day that Lin made the prediction of a settlement of what has now become known as the "February 28 incident," new reports told of widespread attacks on government buildings in Taipei, Keelung and other centers by reportedly well-armed Taiwanese.

It is interesting to note that Kuomintang boss Lin's revelation of the inefficiency of the government amounted to an admission that the Taiwanese, if allowed a plebiscite, would have returned an unanimous "no confidence" vote for the present government of the island. For Lin had admitted that the people were opposed not only to the new political order brought in by Chen Yi, but in like measure to the economic order. The question to ask now is: What, if anything, do the Taiwanese approve of in the government "bestowed" upon them?

No student of Taiwanese affairs will hesitate long in replying to that question.

To understand the present conditions in Taiwan, and the cause of popular discontent, we need say only one thing—Governor Chen Yi, instead of working out an administrative system adapted to the needs of the Taiwanese, and supported by them, merely took over the Japanese system of control and put his own men in the positions formerly held by the Japanese. The Japanese regulations—the very vast majority of them—were given new name tags and were rewritten in the Chinese language, after which Governor Chen Yi felt that he had a "working system" of government.

But what Chen Yi and his associates forgot was that the Taiwanese had learned much during the past decade. And the efficiency of Chen Yi's government was nowhere near being on a par with Japanese efficiency. Thus what the Japanese had been able to do at the point of the bayonet—but a very efficient bayonet at the time—Chen Yi attempted to do with a few functionaries who were only used to dealing with unprotected peasants in backward provinces.

Realizing that his policy has misfired, Chen Yi has now promised the Taiwanese reforms. After almost 18 months of personal rule—and "personal rule" is a kind nomenclature for Chen Yi's "system" of government—the governor of Taiwan has decided that reforms are in order. But his offer of compromise and conciliation comes too late.

The question now to be decided by the national government, and by the Generalissimo, since he has taken direct control of the policy toward Taiwan, is whether the Taiwanese are to get what they want, or Chen Yi is to be allowed to maintain his domain. There are no two ways about it. Either Chen Yi goes or the Taiwanese show the Chinese government that they will not put up with the "new order" based on Japanese-style military controls.

An entirely new code must be written for Taiwan, and written by jurists, not by militarists. Government economic monopolies — "control of trade for the good of the Taiwanese people"—must be reduced to the very minimum. Freedom of press and speech must be guaranteed. The Taiwanese must be given a greater say in the conduct of government. And more and more Taiwanese officials must be given government positions, so that there shall be, to an ever greater extent, government of the Taiwanese by the Taiwanese.

The present unrest is only the beginning of what will become a war of independence if the Chinese government does not meet the Taiwanese half way.

The demands made by the people of Taiwan are by no means excessive. They would be satisfied with semi-autonomy. But they refuse, and will continue to refuse, to live under the Japanese control system modified only in respect to the language used for framing the laws. If the government wants to carry out reforms in Taiwan, then these reforms must be instituted right now.

Tomorrow it may be too late.

Wise Move

Large Armed Bands Storm Government Offices in Taiwan.—*headline.*

Governor-General Chen Yi, who has lately come in for some bitter criticism...is reported to have closed his doors to all representatives of the Taiwan people who have tried to see him with petitions.—*UP.*

Can you blame him?

A Possible Solution?

FOR several months—in fact ever since China's export trade failed to materialize following the conclusion of the war—many observers have been suggesting that the Central Government conclude barter arrangements with foreign countries similar to the one in effect between China and the Soviet Union. While admittedly a cumbrous method of doing business in these days of telegraphic transfers, credits, etc., it is better, they say, than no trade.

Exponents point out that although Chinese prices are high in terms of foreign currencies, the great demand and ready market for foreign goods in China would actually make a simple exchange of merchandise feasible. One local firm is reported to have successfully concluded a few such "trades" before the increasing Government restrictions made it impossible for individuals to do business. This firm found that it could not export tung oil, tea, silk or any of the other old standard Chinese exports because their cost in terms of U.S. dollars was greater than New York buyers would pay.

They began the process by paying whatever CNC dollar price was necessary for Chinese goods, selling them at no profit or at a loss in New York and then investing what U.S. dollars they received in American goods, which they shipped back to China and sold at such a high price that they netted a reasonable profit on the overall transaction.

It seems to us that such a system could be put into effect today and would go a long way toward relieving China's present import-export imbroglio. This idea, of course, is not a new one and must have been considered by the Central Government. What the Government apparently saw in it that it didn't like, we can't imagine, since almost anything would be preferable to the current trade stagnation.

Another angle to the barter system would be for one of the present Chinese Government organizations to step into the breach, paying whatever was necessary for local, exportable merchandise and selling it abroad for whatever it could get. This idea, smacking as it does of state trade, we personally cannot favor. However, it would be one way to get exports moving. The bureau thus concerned would have to draw upon the national treasury to finance its deficit, but the final result would be the acquiring of foreign exchange by the National Government. The Government would be paying a premium for its U.S. dollars or other foreign currency, but it actually would be paying a realistic exchange rate, instead of the artificially low one now in effect.

The first possibility we think is wholly good; the latter, although also a solution, we dislike because of its state monopoly implications. However, if the Central Government is really as far over the barrel on exchange as it claims to be, one or both should be worth considering.

An added factor favoring some such plan is the rapidly deteriorating internal economic situation. If a workable export arrangement could be made, the boost to China's industry would be almost incalculable. The effects would spread from the export industries immediately concerned to related industries and certainly would go a long way toward bolstering Nationalist China's economy.

The Cause And The Root

Lin Yi-chung, Kuomintang leader of Taiwan, who was summoned to the capital for questioning on the Taiwan disturbances, said that the Taiwanese had no intention to rebel against the central authorities but their "misunderstanding of the government monopolies apparently was the main cause of the unfortunate incident."—*AP.*

Rumor has it they mistook it for the return of the Zaibatsu.

Socialism A La China

TAKING as his theme an article by the eminent British economist, G.D.H. Cole, in which it was pointed out that Britain was "neither capitalistic nor communistic," Director C. Yun of the National Resources Commission in the U.S. came out with a statement (possibly meant only for American consumption) that China was pursuing the same economic goal as Britain. Except, added Yun, that China has not arrived at a democratic form of government.

The exception in this case, we believe, is more important than the statement. We are agreed that nationalization consists of placing heavy industry under the aegis of government control. We are also agreed that such control is the first step to socialism. But before real socialism can come about there must be real democracy.

For if socialism can exist without democracy, then German Nazism and Italian Fascism were pure socialistic structures, too. It is the element of democracy which makes British socialism what it is today. NRC Director Yun, however, believes that the Chinese and British nationalization plans are identical—save, of course, that China has no democracy yet, Yun adds as an after-thought.

* * *

THE socialism pursued by Britain today is not Marxian but is patterned on the plans drawn

up by Louis Blanc in 1848. The difference between the systems of Marx and Blanc lies in the fact that whereas the former believed in a dictatorship established by the workers as a means toward socialism, Blanc believed in the creation of a parliamentary system which would transfer economic power from the individual to the state.

But both systems have this in common—the government acts merely as a medium for a transfer from the few to the many. In the case of Marxism, it is the transfer of control from the capitalists to the workers. In the case of Blanc's system, it is the transfer of control from the capitalists to the nation as a whole. And in the case of Fascism it is the transfer of control from the few to the State itself, which controls everyone, from the worker to the capitalist to the individual citizen.

China is not a democracy yet. That means that the nation as a whole does not yet control the government which is pursuing nationalization. This also means that China is following neither British socialism or Louis Blanc, the father of "socialism through evolution." Nor is China pursuing the Marxian type of socialism, since it is patently clear that there is no dictatorship of the workers here, and the workers do not want the present government to control industry.

Who, then, does want the control of industry? Certainly the majority of capitalists are opposed to it, since they could make greater profits under a system of completely free enterprise. Nor does the nation as a whole benefit from the program of nationalization and the creation of monopolies.

The obvious answer is that it is the state, and the state alone, which favors nationalization at the present time. Were there a democracy in China today, with the people deciding how far and what forms nationalization should take, China would be following in Britain's footsteps. But there is no such democracy in China today.

* * *

THE first and main purpose of the nationalization program in China is to make profits for the state. The state controls certain industries which are run on a purely money-making basis, where neither the worker nor free enterprise are considered. It is for the greater glory and profit of the state that the present monopolies were created, and for which they still function.

We are all in favor of a plan which would speed up the industrialization of China, thus providing more goods for the people and more jobs for the unemployed. But in the case of China we believe that the nationalization cart has been put before the democratic horse, with results which are already apparent. For our part, if we had to choose between a system of free enterprise or industry controlled by the state for the state, we would take free enterprise.

What the Chinese people must understand is that no socialism worthy of the name can exist where there is no democracy. When the Chinese people will have created a representative, stable government of the people then, and only then, will socialism be possible. Until that time the policy at present being pushed by the government amounts to a system of monopoly by the state for the state. And the model for that system is certainly not Britain. We are certain that even if Dr. Yun does not believe so, Prof. G.D.H. Cole certainly does.

Under New Management?

BRIDGE House, notorious Japanese torture chamber, appears to have reopened under new management. The Jap Kempeitai has been replaced by the Chinese Gendarmery, but the methods seem to be the same.

Last week Frederick Mysberg, Dutch manager of Abis and Company, a share and stock brokerage house, was picked up by the Woosung-Shanghai Garrison on suspicion of dealing illegally in gold bars and U.S. dollar notes. Arrested without a warrant, after his offices had been searched without a warrant, Mysberg was hauled off to Bridge House where he was put in irons and thrown in an unheated cell already crowded with 40 persons.

Not until this story appeared in the local English-language press did it occur to Shanghai's gendarmes that their treatment might be construed as anything out of the ordinary. Mysberg was then moved to one of Bridge House's more de luxe rooms—one in which only seven "guests" are entertained at a time. However, this cell also lacked heat and had no window.

Meanwhile, the government-sponsored Chinese papers have had a field day, splashing the "Mysberg Case" all over their front pages and telling the readers that now the true cause of China's difficulties has been found. It was Mysberg all the time and not the civil war, official corruption, and all the other things that had been blamed in the past. After a couple of days of this, the authorities that be, apparently fearing an unfavorable public reaction when news of Mysberg's real treatment became known, began handing out releases to the Chinese press telling of their extreme care in handling this foreign "tiger," how they had his food specially prepared by a local hotel, how they even ignored power restrictions by placing electric heaters in his cell, and so on and so on.

Another interesting and highly informative aspect to the Mysberg affair was the Garrison's reply to the Dutch Consul-General when he complained that the gendarmes had not complied with legal procedure in handling the case. A Garrison spokesman told him that no warrants were necessary, even though the Code of Criminal Procedure of the Republic of China stipulates that a warrant must be presented before an arrest can be made. The whole incident became even more ridiculous when *Central News* reported that Garrison authorities had submitted a full report on the case to Generalissimo Chiang Kai-shek for his decision. The question of normal legal processes through the courts apparently wasn't considered.

Since China even now claims to be a republic and the Government is at this moment in the

process of implementing a newly-enacted constitution supposedly designed to transform the country into a democracy, the idea of permitting illegal searches and arrests, let alone allowing uniformed gangsters to practise tortures and indignities belonging to the middle ages, is utterly fantastic and reflects upon China's prestige abroad.

One such affair like this, tends to completely undo the propaganda value abroad of a dozen speeches by Hu Shih, Lin Yu-tang and others who delight in expounding the wisdom of the sages and in explaining that at a time when the ancestors of most foreigners were killing each other with clubs, China was enjoying a delightful civilization, a civilization that stretches back for more than 4,000 years.

We, of course, have no opinion as to whether or not Mysberg and Abis & Company are guilty of violating the law. We would prefer to await the decision of the legally constituted courts before taking up that point. If he is guilty he obviously should be punished. If he isn't he should be set free. However, guilty or not, there is certainly no excuse for treatment such as he has received. An apology, we think, is due him from the Chinese Government. And what's more, there is some punishment due to those responsible for his mistreatment.

We would also suggest that it might be well to ask the Woosung-Shanghai Garrison to give a full report on its management of Bridge House. Who were the 40 unnamed unfortunates in Mysberg's first cell? Had they been arrested without a warrant? Were they chained, too?

There is only one course open for Nanking, both from a humanitarian point of view and from the point of view of China's prestige abroad as a modern, civilized nation. Bridge House, in its present form, must be abolished and the letter of the law, according to China's criminal and civil codes, observed—whether the alleged offender be "tiger" or "mosquito," whether Chinese or foreigner.

Receiving, Storage & Delivery

EIGHT principles for the readjustment of the formerly exorbitant R.S.D. (Receiving, Storage, and Delivery) charges in the port of Shanghai, announced by the Port of Shanghai Readjustment Commission, headed by progressive Mayor K. C. Wu, should be another step towards easing the expenses of merchants engaged both in export and import trade.

There is little criticism to be offered of the eight points which have now become law for shipping companies and others servicing the local waterfront.

The stipulation, for example, which abolishes the system whereby foremen hired laborers, and reaped considerable profit therefrom, is a step in the right direction. This measure should do away with undue misuse of power by persons in more favorable positions, such as the foremen in question, and give the common wharf coolie a break. In this case, the company concerned is ordered to hire laborers directly, thereby making the position of foreman tenable only on the merits of ability and experience and doing away with the system of labor bosses on the waterfront.

The fact that the company in question is to pay wages directly to the laborers concerned is also a healthy measure. The abolition of the collection of R.S.D. allowances is also welcome.

The only negative point to be noted in the announcement is the designation of wharves for "experimenting with these new measures." No time limit has been set for carrying out the experiments and this gives an air of uncertainty to the entire project. Since an emergency is admittedly in existence, measures such as the adjustment of the R.S.D. charges should either be extended over the entire port immediately, or, if experiment is considered necessary, a time limit be set for its completion.

25 Years Ago In Millard's Review Of The Far East

How Quickly We Forget

March 18, 1922.

Upon several occasions during the progress of the Washington Conference, when Japan, and certain other powers as well, could think of no other reason for refusing to give up some special right or interest in China, they always fell back upon the "weakness" of China. Briefly, Japan couldn't remove her troops from Manchuria because China was unable to maintain order and so on, the argument being a sort of a perpetual motion affair. The weakness and inefficiency and internal discord in China were always a convenient peg to hang things on when other arguments failed.

* * *

American Legion

The officers elected to serve during the coming year 1922-1923 of the Frederick Ward Post of the American Legion at the meeting held on March 10 include: Captain W. I. Eisler, commander; Judge C. S. Franklin, vice-commander; Mr. Ewing, treasurer; J. T. Wright of the American Consulate, adjutant; Gardner Crane, employment officer; and D. D. Leonard, chaplain. A meeting with the newly-elected officers will be held at the American Club at 8.30 p.m. on Monday, March 20.

10 Years Ago In The China Weekly Review

Obsolete Agreements

March 13, 1937.

According to the official *Central News Agency*, the initial task of Dr. Wang Chung-hui, Foreign Minister, will be to "revise obsolete agreements and abolish unequal treaties." Negotiations in this regard will be systematically arranged with the foreign countries concerned. In addition the new Minister will be instructed to carry on the readjustment of Sino-foreign relations which was decided upon at the recent meeting of the Central Executive Committee of the Kuomintang.

* * *

U.S. Quitting Orient?

Willard De Mille Price, Canadian-born American journalist, who resides in Tokyo, writing in *Asia Magazine*, stated that America was "retiring from the Orient—ungracefully and with a regretful backward glance at the Philippines and tripping over Guam, and also getting her fingers caught in the closing door of China." He said it was not surprising that America's retreat from the Orient should be unwilling, ungainly and unpleasant because it represented a forced "about-turn" after a hundred years of forward march.

Loans Secured On Silk, Tung Oil, Tea Exports Urged On Powers

By C. Y. W. MENG

OF all China's historic exports, silk is the oldest. The records trace silk worm rearing back to 265 B.C. The production of silk was a jealously guarded secret for nearly 3,000 years. Until about some 20 years ago, silk occupied first place in China's exports.

The tung tree is China's Number One Cash Plant. The economic importance of the Chinese tung oil was most impressively demonstrated when the US$25,000,000 American credit loan to China of 1938 was secured on China's tung oil exports.

Ever since the opening of China to foreign trade, tea has always been one of the leading export articles. Tea occupied between 40 to 70 percent of China's total exports with foreign countries in the second half of the nineteenth century.

Tea Feeds Millions

In Chekiang and Kiangsu, the silk industry constitutes an integral part of the private economy of every farmer with both old and young contributing time and labor. Without this important sideline, no farmer in these areas can raise enough food on his small plot to maintain his family. In tea producing provinces, such as Fukien, Anhwei, Kiangsi, Hunan, Hupeh, Szechuen and Yunnan, no less than three or four million people depend on the production of tea to earn their livelihood.

It is thus clear that the development as well as the promotion of the export of our silk, tung oil and tea has just as much to do with China's foreign trade as with her national economy. If there is any true assistance forthcoming to China from friendly powers to assist her in national economic reconstruction there is no better economic assistance than financial and technical aid to develop our agriculture, to promote our silk, tung oil and tea production, and to take more of these exports.

The silk producing districts of China may be divided into three, namely, the Central, Southern and Northern Districts. Headed by the Provinces of Chekiang and Kiangsu, and with Szechuen and Anhwei next, the Central District is the most productive of all. The Southern District, embodying the Provinces of Kwangtung, Kwangsi and Fukien, has a smaller volume, while the Northern District, including the Provinces of Hopei, Shantung and Honan, has an even smaller production.

Silk Production

According to a preliminary study by the Foreign Trade Committee of the Ministry of Finance, the pre-war five-year (1933-37) average production was 152,455 quintals, of which about 100,000 quintals were exported and the balance was for domestic consumption. This five-year average production, however, dropped to 35,074 quintals during the war years, of which 10,000 quintals were exported, and 25,000 quintals were consumed at home.

But the Chinese silk industrialists are now planning to raise the yearly production to 180,000 quintals—30,000 quintals more than pre-war—by 1952, of which 120,000 quintals are for export and 60,000 quintals for domestic consumption. Table I, which is appended, gives further details.

General Information

In the following paragraphs general information is given on conditions at the end of 1946:

Filatures in China: Government, 400 basins; Commercial, 9,600 basins; Total, 10,000 basins.

Silk Weaving Mills in China: Government, 200 looms; Commercial, 19,800 looms; Total, 20,000 looms.

Silkworm Breeding in China: Government, 115,000 sheets; Commercial, 1,910,000 sheets; Total, 2,025,000 sheets.

Loans to Farmers: To mulberry plantations in Chekiang, CNC$9,622,400; To rearing silkworms, CNC$650,000,000; To dry cocoon purchases, CNC$1,000,000,000; To rearing silkworm eggs, CNC$1,081,800,000.

Mulberry Seedlings: Imported from Japan: 2,000,000 pieces delivered in Shanghai, March, 1946. Bought from Chowangmio Plantation in Chekiang, 104,818 pieces. Distribution: Chekiang, 1,114,818 pieces and Kiangsu, 990,000 pieces. Plantation area: 375,000 mow (One mow is equivalent to one-sixth of an acre). Subsidized farmers: 459 homesteads. Estimated crop: 200,000,000 trees.

Silkworm Eggs: Imported from Japan; 300,000 sheets delivered in Shanghai, March, 1946. Bought from Taiwan: 2449 sheets delivered in Shanghai, April, 1946. Distribution: Sold to farmers in Chekiang and Kiangsu at half of the cost or in many cases free of charge. Estimated crop: Spring, 1946, 1,630,000 sheets, ordinary; 1,300,000 sheets, improved; Autumn, 1946, 630,00 sheets, ordinary.

Reeling For Government Held Cocoons: Number of filatures engaged, 29. Number of basins, 6,787. Quantity of cocoons supplied, 10,394.96 customs piculs. Raw silk produced, 2,120 piculs.

Purchase of Spring, 1946 Cocoons: A pool established by Government and commercial banks and the China Silk Corporation capitalized at CNC$20,000,000,000. Number of mills: 65 applied for, and 58 accepted. Number of filatures: 90. Number of basins: 990 upright and 9,994 horizontal. Government purchase of raw silk for export: Capital, CNC$30,000,000,000. Quantity purchased, 11,000 bales; and quantity exported—6,459 bales.

Improvement Of Quality

Commenting on the American criticism of "unevenness" in the Chinese raw silk, some Chinese experts declared that this was unjustified. We have a Government Testing and Inspection Bureau of Commercial Commodities, and this Bureau is doing good work in the scientific manner. This Bureau is open for public inspection at any time. When the American Agricultural Mission was here, the members of the Mission spoke very highly of the Bureau's efficiency.

Nevertheless, this does not mean that the quality of our silk is already up to standard. No. The Chinese silk industrialists are fully aware that the quality of silk must be greatly improved. The measures which have ben most frequently advanced by the Chinese experts may be summarized as follows:—

1. (A) Care should be taken to select eggs of superior quality.
   (B) Encouragement should be given to the planting of mulberry trees.
   (C) Encouragement should be given to the establishment of silk worm egg stations.
2. (A) Improvement must be made in the machinery use in silk filatures.
   (B) Experts must be trained.
   (C) Schemes must be devised to save fuel.
3. (A) The cooperation of American experts should be secured

TABLE I. SILK PRODUCTION IN CHINA

(Unit: Quintal)

Name of Province	Pre-War Average (1933-37)	War-time Average (1937-46)	Post-war Average (1947-52) (Estimated)
Chekiang	53,822	4,230	53,822
Kiangsu	18,446	—	18,446
Anhwei	3,446	1,209	3,446
Hupeh	5,564	—	5,564
Szechwan	21,164	21,167	48,000
Fukien	187	—	181
Kwangtung	40,114	6,048	40,214
Kwangsi	2,116	1,210	2,116
Shantung	4,536	—	4,536
Shansi	302	—	302
Honan	1,996	605	1,996
Other Provinces	605	605	1,377
Total	152,298	35,074	180,000

for the examination of raw silk. The examination by these experts should be acknowledged by the United States.

(B) There should be a voluntary examination of exported silk piece goods. This need not be compulsory.

Besides, there are other financial remedies which have been advanced by Chinese economists for the improvement of the silk industry, and which may be summarized as follows:—

1. Financial aid must be given to silk filatures and silk worm egg stations for reconstruction of all the equipment that was lost and damaged during the war.
2. The Central Bank of China must finance the silk industry. Silkworm egg stations, filatures and exporters must be able to obtain loans at negligible rates of interest (6-8% per annum).
3. The Government must grant subsidies to the filatures for each picul of silk produced. This would be indirectly identical to subsidizing the farmers.

It is pointed out most emphatically that in 1932, when the Chinese silk industry was on the verge of bankruptcy due to the worldwide depression, the Chinese Government granted a subsidy of $140 on each bale of silk that was exported. This enabled the industry to successfully withstand the depression and it was again in a flourishing condition at the outbreak of the war. It would therefore seem that this form of assistance might again be very valuable.

Tung Oil Production

Szechuen Province is the tung oil production center of China. In prewar years, annual production in the province amounted to one-third of the national production. This province, with Hunan, Hupeh, Kwangsi and Kweichow, produced annually 85 percent of the national production.

Kwangsi was probably the first province to enforce the compulsory plantation of tung trees throughout the province. As a means of encouragement and acting as a model to the people, the Provincial Afforestation under the Reconstruction Bureau of the Provincial Government of Kwangsi planted no less than 543,424 tung trees. In 1936, regulations governing the planting of tung trees were promulgated by the provincial government, which provided that each *tsuan* consisting of 10 *chia* or 100 families was required to sow at least 100 catties of tung seeds. Under such compulsion no less than 85,269,746 tung trees were grown up in the early stage of our recent war against Japan and had greatly increased the tung oil production in the province.

According to one preliminary investigation, the pre-war five-year (1933-37) average production of tung oil in China was 1,360,000 quintals, of which 1,000,000 quintals were exported, and 360,000 quintals were for domestic consumption. Szechuen with 450,000 quintals ranked first, and Hunan with 350,000 quintals was second. Hupeh, Kwangsi and Chekiang produced about 100,000 quintals each, while Kweichow, Shensi, Anhwei, Kiangsi, Honan and Fukien produced from 10,000 to 50,000 quintals each.

TABLE II—TUNG OIL PRODUCTION IN CHINA
(Unit: Quintal)

Name of Province	Pre-War Average (1933-37)	War-Time Average (1937-46)	Post-War Average (1947-52) (Estimated)
Szechuen	450,000	450,000	600,000
Hunan	350,000	350,000	500,000
Hupeh	160,300	120,000	120,000
Kwangsi	150,000	300,000	300,000
Chekiang	100,000	100,000	100,000
Kweichow	50,000	80,000	80,000
Shensi	30,000	30,000	30,000
Anhwei	24,000	13,000	24,000
Kiangsi	15,000	10,000	15,000
Honan	12,000	8,000	12,000
Fukien	10,000	9,000	10,000
Other Provinces	9,000	—	9,000
Total	1,360,000	1,470,000	1,800,000

This five-year average production, however, dropped to 1,200,000 quintals during the recent war years, of which 400,000 quintals were exported, and 800,000 quintals were for domestic consumption.

But Chinese industrialists are planning to raise this production to 1,800,000 quintals during the first five post-war years, with 1,200,000 quintals for export and 600,000 for domestic consumption. Table II gives further details.

Abolition Of Allocations

During 1946, it is revealed, China's total export of tung oil was 36,000 long tons with an aggregate value of approximately US$25,000,000. Out of these 36,000 long tons, 25,369 tons were shipped to the United States, 5,504 tons to the United Kingdom, 4,100 tons to the Soviet Union, and 3,756 tons to other European countries. The China Vegetable Oil Corporation handled about 67 percent of the total volume.

But as pointed out by Mr. C. C. Chang, President of the China Vegetable Oil Corporation, China's export of tung oil is still under the Import License System in the United States based upon the quota allocations of the International Emergency Food Board at Washington. The primary consideration of the Board is a fair allocation and distribution of essential foodstuffs and edible oils between the supply and consuming countries of the world.

Mr. Chang is of the opinion that to put tung, which is a non-edible oil and suitable only for industrial uses, on a joint quota with edible oils under the food administration is highly illogical and unreasonable. He revealed that at a recent board meeting in Washington, the European nations presented a sad picture of their need for all types of oils and fats, and appealed for the reduction of American quotas. The U.S. State Department seemed to have backed the appeal against the advice of the U.S. Agriculture Department. Finally, a tentative compromise was worked out to curtail the importation of all fats and oils to America. Coconut oil, for instance, would have to be reduced to one-third, while tung oil imports by the United States would be less than 9,000 tons.

In fact, with the increasing demand for paints and varnishes due to the housing program, and the general shortage of other drying oils in America and Europe, there is bound to be far greater demand for tung. On the other hand, by the end of 1947, China can easily supply the world with 50,000 long tons of tung oil. This amounts to twice the quota allocation of the Emergency Food Board for 1946, which was 25,000 long tons. Furthermore, China's capacity to export 50,000 tons can more than meet Europe's requirements without requiring any reduction of the quota to the United States which could also be increased without affecting Europe's quota. The consensus of opinion among Chinese tung oil experts is that the abolition of the tung oil allocation is justifiable and necessary.

3-Year Tea Production Plan

The year 1947 opens with Chinese industrialists busily engaged on a "Three-Year Tea Production Plan" with the objective of producing 650,000 shih (one shih is equivalent to 50 kgs.) of various kinds of tea for export and worth US$35,000,000 in the first year, 800,000 shih worth US$45,000,000 in the second year, and 950,000 shih worth US$55,000,000 in the third year. Table III below gives details.

These years of effort by the Foreign Trade Committee of the Ministry of Finance have laid the ground work for the enforcement of the present plan. Under the Ministry of Agriculture and Forestry, a new department, known as the Tea Industry Improvement Bureau, is now in operation to study, plan and direct the development of Chinese tea and promote its export.

In the first year, in each black tea producing district, there will be at least one "tea factory" for processing tea by machinery. According to the plan, there will be 15 such factories in the first year. Another 15 factories will be established in the second year and a third 15 will be added the third year. These 45 "tea factories" will process tea for export.

In each big commercial port from which tea is to be exported, there

will be a tea grading factory to be established jointly by the local Government Testing and Inspection Bureau of Commercial Commodities and the tea exporters. The first factory of this kind will be located in Shanghai in the first year, two others in Hankow and Foochow, respectively, in the second year, and more in other ports in the third year. These factories are to be established and equipped with loans from the government banks.

A total of CNC$73,100,000,000 from government banks will be earmarked as tea loans for the first year, of which parts will be used as winter plantation and fertilizer loans, for tea factory material loans, for loans for purchase and collection of tea by tea factories, for tea processing loans, for tea transportation and marketing loans, and for loans for the establishment of tea factories.

Although the various tea loans total CNC$73,100,000,000 in the first year, the 650,000 shih piculs of tea, when exported, will net China US$35,000,000 — CNC$420,000,000,000 at the present CNC$12,000 to US$1 rate.

Tea Ration In England

In this connection, it may be of interest to observe that the British Government has just declined to accept a suggestion made in Parliament to bring the rationing of tea to an end in Britain in the near future on the grounds that the estimated world production of tea for 1947 fell considerably below world demands and there was likely to be increasing competition for these short supplies, and that "If rationing ceases, only those who could pay the highest price could get tea."

To this, the Chinese promptly ask, "Why not end tea rationing by buying more of our tea?" China is ready to supply the British people with tea.

This sums up the general information about China's silk, tung oil and tea, and some of the latest developments and the views on the Chinese side which may not be known to the people of the consuming countries.

What We Hope

In other words, in the first post-war five years, China's yearly average production of silk and tung oil is to be 180,000 quintals and 1,800,000 quintals, respectively, and yearly production of tea 650,000 shih in the first year, 800,000 shih in the second year, and 950,000 shih in the third year. With these, the Chinese entertain high hopes.

It is the opinion of many Chinese economists that if foreign loans could be secured on exports of Chinese agricultural products, such as silk, tung oil, tea, hog bristles and wool, it would at once give a new lease on economic life to rural China, provide China with an excellent chance to recuperate and promote agricultural production and economic revival and development, and bring about many thriving villages and towns in China.

Without an improvement of the economic condition of the farmer, neither the industrialization of the country nor the promotion of China's foreign trade is possible. After all, China by tradition is an agricultural country. The development of rural industries, the increase of the productive capacity of the Chinese farmers and the augmentation of their purchasing power are of the greatest importance.

TABLE III—TEA PRODUCTION IN CHINA
(Unit: Shih Picul)

Name of Tea Producing District	Kind of Tea	1st Year (1947)	2nd Year (1948)	3rd Year (1949)
(A) Green Tea:				
Pingsui	Green	100,000	120,000	140,000
Tungchi	„	55,000	65,000	75,000
Yushan	„	10,000	15,000	15,000
Wenchow	„	15,000	20,000	25,000
Total		180,000	220,000	255,000
(B) Black Tea:				
Chemen	Black	30,000	35,000	40,000
Eastern Fukien	„	35,000	45,000	55,000
Northern Fukien	„	15,000	17,000	20,000
Hunan	„	30,000	35,000	45,000
Hupeh	„	15,000	18,000	20,000
Ningchow	„	10,000	15,000	18,000
Hokow	„	10,000	12,000	15,000
Yunnan	„	5,000	6,000	7,000
Wenchow	„	20,000	22,000	25,000
Taiwan	„	75,000	90,000	110,000
Total		245,000	295,000	355,000
(C) Other Kinds of Tea:				
Hunan & Hupeh	Brick	50,000	70,000	100,000
Taiwan	Wulung	60,000	70,000	75,000
Southern Fukien	Blue	5,000	8,000	10,000
Northern Fukien	„	10,000	15,000	17,000
Taiwan	Bao	25,000	35,000	40,000
Fukien	Fa	5,000	7,000	8,000
Other Districts	Others	70,000	80,000	90,000
Total		225,000	285,000	340,000
Grand Total		650,000	800,000	950,000

Today, loans secured on the Chinese customs and salt revenues and other national receipts are no longer possible. The simple reason is that these loans do not have the nature of true economic assistance to China, but are only "political loans" in the eyes of Chinese economists. The Chinese people do not like political loans any more, and we want more barter loans based on the principle of exchanging what we have at our disposal for what we need. China can furnish no better security for foreign loans and for foreign productive machinery and equipment than exports of her principal exportable agricultural products.

Implementation Of New Treaty

Secondly, as we know that owing to the great disparity in the economic development between China and the United States, China cannot enjoy many of the reciprocal treatment clauses in the recent Sino-American Treaty of Friendship, Commerce and Navigation. But in the opinion of the more outspoken Chinese observers so far as the Treaty itself is concerned, there is nothing wrong with it. But what has to be pointed out is that this Treaty requires a great deal of implementation efforts from the American side to make it reciprocal and bilateral in fact as well as in name to the Chinese.

And the first step in this direction is to give necessary economic assistance to China to develop her agriculture, and to grant more industrial loans for the development of the Chinese industries and communications, secured upon China's export of her silk, tung oil and tea and other agricultural products. Many Chinese economists do not oppose the sale of the American surplus property to China, but what we do object to is that the Americans should not only sell but also should buy, and not only export but also import.

Lastly, friendly powers are requested to help us to promote our export trade. The recent prompt American invocation of the Tariff Act of 1930 to oppose our Import Surcharge of 50 percent and Export Bonus of 100 percent, and the swift cancellations of Chinese orders by American importers, together with reported removal of the offices of some American firms from Shanghai to Hongkong under the illusion that "there is nothing to do in China but to get out," are all shortsighted moves on the part of the Americans.

After all, China has not the slightest intention to erect any barrier to obstruct the free movement of international commodities. China is only forced by circumstances to impose further restrictions on imports to protect her infant industries. China will soon set her house in order. The present chaos in China is only temporary. Let more sympathy and economic assistance come to China. Let no one take such steps as would nullify our efforts in promoting our export trade.

Tientsin Pessimistic Over New Laws As Index Up 53 Percent

By S. E. SHIFRIN

(Special Correspondent, The China Weekly Review)

Tientsin, March 1.

IF there is a more depressing subject to write about than China's present economic plight, it is probably the civil war. But the economic situation is bad enough without any comparisons. The blast that shook the structure until to some it looked as if the roof were falling down, was the state of the market during the black second week of February. Conditions which made this possible were not the work of one man or a group of men, even if the actual coup had been engineered and the trend helped along, but mainly the result of a combination of causes. The least noticed of these is the general sense of instability and lack of confidence in an immediate peaceful future.

The palm for the most inappropriate explanation of the crisis should rightly go to one of the high officials who gave as one of the causes the fact that loans advanced by Government Banks to help firms tide over Chinese New Year were used for speculative purposes. This is a phenomenon well-known to any Chinese or foreigner, in business or out of it. It had happened before, it happened again. Under the circumstances what was needed was not a belated recognition of a fact widely forecast at the time, but a coherent explanation of why no adequate safeguards to prevent it had not been provided in time.

Dreams Of US$ Loan

One of the most astonishing reactions to the new Government measures promulgated on Sunday, February 16, was the facility with which some Chinese editorial workers started juggling with figures. Evidently on the strength of a reported sale to the Central Bank in Shanghai of US$750,000 during the first two days, an editorial writer wrote of the possibility of raising a US$500,000,000 internal "loan" by enforcing the new regulations. With an AP dispatch from Washington paring down the estimated US$300,000,000 of Chinese deposits in the U.S.A. to half that figure, another Chinese wish-bone addict dreamed up the figure of US$1,000,000,000. in China now a few noughts more or less don't matter.

What matters is the erroneous impression these juggling acts create of so much foreign exchange being available for the asking. Starting from the assumption that there actually is US$500,000,000 cash in China today, the greater assumption is made that all holders of greenbacks would exchange them for CNC when not obliged to do so by law. It is extremely doubtful that Chinese deposits in the United States actually amount to US$1,000,000,000. These guessers are in fact rationalizing the new measures as a short cut to economic recovery through securing large sums of foreign exchange.

These measures need no rationalizing. Like the progressively tightening restrictions on foreign trade the new measures have been called into being by the dwindling stocks of gold and foreign exchange. Whatever the validity of the policy that sale of gold by the Central Bank would prop up the Chinese dollar, and it did that for a while, it was evident that unlocking the bank vaults could not compete with the output of the printing presses, and the palliative of selling gold was dropped but the policy of banknote issue remains.

Abis & Co. Test Case?

However, accompanying the suspension of open gold sales by the Central Bank of China was the ban on all gold transactions as well as deals in greenbacks. This was just one step short of making the holding of gold and foreign exchange illegal. As a half measure it is not likely either to cure or kill. The test case might be that of Abis & Co., raided in Shanghai or it may be that of some other firm. Whether or not the firm has dealt in gold and foreign exchange must be proved. As long as the holding of these valuables is not ontlawed, their possession can prove nothing.

In North China during street searches pedestrians were detained while carrying gold bars, but after being taken to the police station had to be released as they had committed no breach of law. The only chance enforcing agencies have of pinning down the blame would be to catch both parties to a transaction red-handed during a deal or by getting both to confess. With the precautions which are sure to be taken this could only happen by chance or on a tipoff.

The interpretation of the law also leaves room not only for evasions but also for abuse should private houses be searched and innocent parties forced to prove they did not break the law.

Speculation And Hoarding

One of the biggest questions on the books, with the ban on gold and foreign exchange transactions and the impossibility of importing many lines of import, is what importers and other holders of commodities are expected to do to cover their sales: pickle the CNC or push it through the narrow slot of the piggy banks? One thing they are not likely to do is keep the proceeds in CNC and wait for better days. At best these funds will be reinvested in other commodities or go to swell speculative funds on the money market, or be used for speculating on the stock exchange. There can also be a revival of the hoarding trend so pronounced in wartime, with importers especially holding on to their stocks in the knowledge that new orders cannot be placed abroad. Under these conditions prices cannot be expected to remain stable.

The budget of the Central Government is taken so lightly by so many economic analysts in China that the effect of the new measures on budgetary provisions of 1947 has been disregarded. In view of the rise in commodity prices the budget can now be considered as largely inoperative—annulled by the same stroke of the brush that signed the new measures. Further, with customs revenues still bulking large in the income of the Government the proceeds from this source of revenue are likely to be reduced by the effect of the new restrictions on imports. Already in the outports it is rumored that customs circles are complaining off the record about operating expenses exceeding revenues. In the light of the effects on prices and the budget the new measures are in a sense equivalent to the issue of a few more truckloads of banknotes.

Some economic analysts have stated that whether or not the new measures, and in particular the new rate of exchange, will help exports depends on the success in keeping prices down. The way the question should be put is whether the inevit-

Japanese Union Organizer Jailed, Fined For Withholding Speech

By HUGE DEANE

(Special Correspondent, The China Weekly Review)

Tokyo, Feb. 18.

A U.S. Army Provost Court in Kohura, southern Japan, has sentenced Hiroshi Ito, union organizer and local Communist Party leader, to five years' imprisonment at hard labor—for refusing to divulge the contents of a speech made at a political rally and for being "insolent and arrogant before the assembled Japanese."

Ito was also fined 75,000 yen—about 75 times the average monthly wage of an industrial worker.

In a petition to General MacArthur, Ito states that he refused to hand over his speech because the American officer, a Nisei lieutenant, would not explain why he wanted it. Ito was arrested, beaten up by Japanese police, and the speech was taken from him. Ito admits that his attitude toward the American officer was "a little aggressive."

Observers here believe that the Ito case is significant because it is one of several which seem to indicate that American military courts are throwing the book at labor leaders and leftists.

In another case, a union organizer named Kenkichi Yahagi was sentenced to four years in prison and fined 60,000 yen for allegedly saying that "Americans are trying to colonize Japan"—though trial testimony was contradictory and vague.

Yahagi's sentence was later reduced to a year and a day and he was released on probation following informal intervention by General MacArthur.

The Congress of Industrial Unions (CIU) has submitted a petition to General MacArthur detailing about forty incidents in which Japanese police or American MP's are alleged to have used violence or coercion against the unions.

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LEFTISTS GAIN HEGEMONY OF FARMERS UNION

AN alliance of leftwing Social Democrats and Communists dominated the second national convention of the Japan Farmers Union held here recently, reflecting the leftist trend in the union since its inaugural convention a year ago. Hisao Kuroda, a leftwing Social Democrat, was elected chairman, and leftists won a majority of seats on the new central committee.

The rightist faction, led by Rikizo Hirano, which has controlled the national leadership up to now, reacted to its loss of power by withdrawing from the union and setting up a rump organization called Japan Farmers Union Reconstruction Group. This faction, however, is miniscule, as the moderates in the JFU and some rightists are going along with the left majority. Hirano, a leader of the pre-war ultranationalist Japan Farmers Party and now a key figure in the right wing of the Social Democratic Party, has been formally expelled by the JFU.

1,300,000 Members

The JFU has grown rapidly during the past year, expanding from around 100,000 to 1,300,000 members. Over 3,000,000 poorer farmers remain to be organized, however. About three-fourths of the JFU's membership is estimated to be under the influence of the left.

The convention called for a more drastic agrarian reform program to destroy landlordism. It sharply criticized the Yoshida Cabinet for its compulsory rice collection law and for its failure to provide the farmers with fertilizers and implements at reasonable prices. Attacking the Social Democratic rightists for flirting with Yoshida, it gave its support to a united front of farmers, workers, and middle-class groups.

Reaction To Feudalism

In a statement to this writer, the new JFU chairman, Hisao Kuroda, declared: "Although not all JFU members are fully enlightened politically, undoubtedly most members are increasingly aware of the nature of the shackles of feudalism and semi-feudal bureaucracy. Reaction against these evils characterized our convention.

"Though the farmers have been distinctly anti-Communist, the devastating effects of inflation have convinced large numbers of them that their lives might be benefitted by so-called Red ideas, and that their future is bound up with the future of the workers. While many farmers did not support the workers in the projected general strike of February 1st, all major attempts to draw the farmers into the reactionary camp have failed.

"The results of the convention are an important step toward the creation of democratic front."

Leftists Dominant

But though the leftists now dominate the JFU, the political battle for the Japanese countryside is far from over, observers point out. The Japan Agricultural Association, which represents the interests of the landlords and rich farmers, is still deeply entrenched in thousands of villages, and the rural political machines of the conservative Liberal and Progressive parties are admittedly still strong. Local unity of action between workers and farmers, furthermore, remains largely undeveloped. The left will have to do a lot of spade work in order to be successful in the coming general elections—but at least it now leads both organized farmers and organized workers.

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able increases of commodity prices can be kept within bounds.

In Tientsin the cost of living index jumped 53 percent in February as compared with January. If this continues, keeping in mind the intention of the authorities to freeze wages, the index figure for the cost of living may shortly also become top secret. Certain commodities—not necessarily imported—have chalked up increases of 200 percent and more. And in at least one export industry in Tientsin workers have demanded a several hundred percent increase in wages.

If labor costs increase substantially it is evident that the advantage which some lines of the export trade have momentarily gained will be lost in no time. It is no secret that prices of most export commodities in North China increased more than 100 percent shortly before the 100 percent subsidy was announced—making the measure stillborn.

The new measures have outlawed transactions in gold and foreign exchange and by an oblique but connected stroke stymied most private import. Perhaps they helped some lines of export for a while but more than anything else they helped boost prices. If prices keep on increasing the freezing of wages on the index figure for January is likely to melt and the circle of futility will again be complete. The promulgation of the new measures by the Supreme National Defense Council shows the importance attached to the measures. China, too, has joined the countries which have drawn a parallel between warfare and economic crises and conduct their measures accordingly.

Will New Laws Work?

It is natural enough to see a government adopting desperate, or what it considers desperate, measures to support its depreciating currency. It is natural and understandable. But the question is whether or not the measures will work. The Central Government, seemingly unable to stop the presses, has entered the alley of restrictions. But when and if restrictions put down on the statute books don't work, what next? This is the question the authorities might have to answer, for the underlying causes of China's economic instability continue to exist.

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French Political Life Puzzling; Indo-China Position Imperiled

By JACQUES DECAUX

(Special Correspondent, The China Weekly Review)

Paris, February 24.

POLITICAL life in France today is more puzzling than it ever was in the very eventful past. Everything is in turmoil: finances are in bad shape, reconstruction progresses very slowly and party fights are more active than ever. On the surface, government circles sing a choir of good will, patriotism and collaboration. In the background, waves of strikes follow each other, as workers ask for raises at a time when the government is trying hard, superficially at least, to prevent further inflation.

The composition of the government is, in itself, an amazing story. It will be remembered that in the last elections one-third of the French citizens voted Communist, a third for the Christian Republicans (MRP), and a third for various other parties ranging from socialist to right wing. Of the total voting population, about one-third abstained from casting a vote at all. This balance should have meant that the two major parties (Communist and MRP) held the reins of government in their hands, but, on the contrary, the defeated party (Socialist) took over in the interim before the election of the President of the Republic.

Party Politics Only

Once again it is a Socialist Premier whose job it is to agglomerate the different views, tendencies and special interests of the major parties. Obviously, this is nothing but party politics, influencing the political life of the country with underground fights, compromises, roundabout methods and inter-party settlements which have little in common with true democracy.

The new economic policy seems to be a stumbling block to the whole political system at present. The new government, headed by Premier Ramadier, endorsed Leon Blum's interim government policy of deflation. It is trying to launch a second offensive against the rising prices. But just when all the members of the government seem to agree on the urgency of such a measure, strikes flare up everywhere.

No End To Strikes

First came a strike of all public servants, including the police forces. Then all printing shop workers went out, thus depriving France of all daily and weekly newspapers. This strike has been on for more than a week now. Today gas stations closed their doors to customers. The government's counter-move was to increase the smaller bracket salaries to the lowest cost of living index. Even Communist Maurice Thorez agreed to this policy.

But the strikes are still going on, and no one seems to know when they will stop. This agitation takes on an interesting aspect as the Communist party always showed such interest in what is termed the workers' welfare. But the CGT (General Labor Organization), whose affinities have always been communistic, has been unable to stop the strikes in spite of having a communist dictum. The *Humanite*, daily communist paper, hoped that the strike would have no effect on its publication, but the workers were adamant, even at the risk of fighting the "roughs and toughs" of the party who tried to force them to work.

Blum Measure Opposed

In another sphere, a Blum decision proposed the firing of 50,000 auxiliary public servants. There is also inflation in this field, since there are now some 4,000,000 state employees, whereas before the war the total was about 1,500,000. A much more drastic measure was necessary to help the Finance Minister cut expenses and balance his budget. This measure met strong opposition in interested quarters. Apparently no policy which attempts to cut expenses will be favorably accepted, although for France it is the only way to avert economic collapse.

In the international field, France is fighting for her views on security in Europe. The highly unsatisfactory Italian treaty is a source of concern, because it does not afford a balanced equilibrium on the Continent. A treaty is at present under study by the Quai d'Orsai and 10 Downing Street. Although no official announcement has been made, it is surmised that the treaty deals with the French desire for the internationalization of the Ruhr, Germany, and particularly of the Saar coal fields. Also said to be included in the treaty is the British desire to reduce the enormous cost of her occupation of Germany.

Safe German Frontier

France is anxious to have a definite safeguard on her German frontier, against expressed American wishes, and is therefore trying to get British support. Actually, the same question arose after the last war.

Great Britain is also in bad financial straits. Her American credit is speedily being used up, and her creditor nations (India, Egypt, Australia and Ireland) are repeatedly asking for funds in pounds, industrial equipment, or in dollars from her dollar-pool. The Germans in the British zone have been rather costly to feed during the past months. In the Middle East they are finding the Palestine occupation expensive, and producing no obvious results.

The imperial position of both France and Great Britain is also in very bad shape. In Europe, they are both fighting for a balance of power and finding strong opposition from both the U.S. and U.S.S.R. Although the French-German policy is agreable to the CP, the position of France in the Far East is seriously imperiled. The de Gaulle government, after the liberation of France, viewed Indo-China as a field for "reconquest."

Now the Government is torn between those supporting the cause of economic necessity, those who would like to see the war stopped on the grounds that too many lives are being lost and that it will be a poor investment in the future, and finally, the leftist groups, which wholeheartedly support Ho Chi Minh because of party affiliations. As a political authority summarized it: "Either we have the Indo-Chinese question on our hands for the next 15 years—and that means taking a firm stand—or we will be washed up in 15 days." Nobody knows whether a firm policy will prevail, or for how long.

Policies Unwise

The colonial policies of both France and Britain have been unwise for different reasons. The British are still acting under their superiority complex of pre-war years. They wish to maintain supremacy at a time when domestically they are suffering under economic difficulties, when their international position has fallen from top to second-rate, and when their colonies see the Atlantic Charter as an incentive for freedom. Last week, the India issue took a new turn when Lord Wavell was replaced by Lord Mountbatten, and the deadline for independence was set for June, 1948.

But the spot where Britain's antiquated policy of "divide and rule" is being tried with least success is around the Suez Canal. In May, 1946, Churchill proposed a firm policy in Egypt in order to maintain a strategical stronghold on the "lifeline" through Suez. At the same time he advocated a relinquishment of British rule in Palestine. Contrary to his suggestions, the Labor Government began discussing a new status for Egypt and plans for maintaining their hold on Palestine.

Caught In Crossfire

In January, Egypt, facing a deadlock and strong British opposition to her demands, decided to lay her case before the Security Council of the United Nations. Thus, Britain, unable to settle this affair, lost considerable face. In Palestine, where British politicians have made careless promises to both Arabs and Jews for the past 30 years, the Labor Government is now facing extreme antagonism from both parties. They are involved in a delicate DP situation in Europe, and the American support of Zionism is a further aggravation.

Finally, last week, Mr. Bevin declared that the whole matter would be laid before the UN for a decision. Whichever course UN decides upon, however, will count for nothing so

Why Do We Study Oriental Languages?

By C. Y. CHEN (陳岱孫)

"IF we look at the map of Asia, India and China stand out. If we look back into the history of Asia, again India and China stand out in many ways during these thousands of years. And another odd fact emerges: that these two great countries, neighbors to one another and with thousands of years of contact, have never been at war with one another....." Thus spoke Jawaharlal Nehru, the great leader of India, in his message to the people of China.

It is true indeed that not only have the peoples of China and India a striking resemblances to each other in many aspects of life but also that Southeast Asia is similar. Even a casual visitor is impressed by the fact that China and Southeast Asia have been connected integrally in their political, social and economic life from the earliest times. In our historical growth we have reacted on each other. Today, certain essential features show that we have similar problems needing the same kind of solution.

The ultimate importance of any nation should be estimated not by its conquests, commerce, or degree of comfort, but by the eternal values it has brought into the world and the extent to which they have been embodied in its life. These values are expressed in its art, poetry, philosophy, religion and its institutions. They are what we call the vitamins of spiritual life and their existence can only be inferred from the fact that without them the spirit of man sickens and dies. We, therefore, need a balanced diet—the vitamins of truth as embodied in science, of beauty as embodied in literature. Judged by these standards some of the oldest nations, like China and India, have evidently contributed most to the world.

Pooling Of Resources

We also recognize that ultimately these values are the things that matter most, and that if we are to have a decent or even tolerable world in the future there must be a great interchange and pooling of what we may call the cultural resources of the different human communities. There must be an interchange also of their experiences in dealing with human problems. It could be such a rich and interesting world if we could get away from the obsession of exaggerated nationalism and power politics, and become genuinely interested in one another's civilization, pooling together our intellectual, artistic and spiritual experiences and heritage.

I feel that it is the cultural approach of one nation to another which, in the long run, is the best guarantee of real understanding and friendship, and of good political and commercial relations. In the past it has been, on the whole, sadly neglected, especially between China and her neighbors in Southeast Asia.

We are all aware that our traditional culture must be readjusted to meet the conditions of life in a modern world, no less than that of our neighbors in Southeast Asia, who have been chastened by the tragic events of our time, such as foreign oppression, the world wars and other happenings during the past generations. And how can it be done except by willingness to learn from one another and by appreciating the value of cultures other than our own, so that we can all fit into a new world pattern?

Common Language Needed

To do this, the meeting ground of a common language is a practical necessity. Without it, direct intercourse between the people of China and those of Southeast Asia is not possible, and without direct intercourse cooperation is a very difficult thing. It can safely be said that one of man's most important activities is concerned with the communication of ideas. This is done for the most part by several different uses of language. One conveys his ideas to others by speaking or by writing and receives the ideas of others by hearing them speak or by reading what they have written. Surely one of the very important essentials for interchange and pooling of cultural resources is to know those languages which will best enable us to communicate with our neighboring countries.

As mentioned above, language is the most important means of cultural relations between nations and that is the only reason why we are now devoting ourselves to the study of various kinds of the Oriental languages, especially, the languages of Southeast Asia.

Though Southeast Asia, more than any other area is a cockpit of rival imperialisms owing to its rich production, it must be borne in mind that the Chinese inroads into these countries did not lead to commercial exploitation or economic gain. They were not, according to historical traditions, attended by blood and tears They were in the main, peaceful cultural missions trying to unite the great peoples of the Orient in a way of life quite unlike that of the materialists. Exchange of travelers, emissaries and philosophers brought about a better understanding between these ancient countries, served to interpret the culture of neighbors and diffused the philosophic attainments reached by ancient China and India. The pursuit of learning and cultivation of virtue were the guiding stars to travelers between countries. Thus there was born a common eastern cultural and spiritual background and a civilization of great antiquity and unbroken continuity.

New Links Urged

Now, as Chinese pioneers sowing the seeds of Chinese culture and gathering the fruits of other cultures, we will again be able to forge a new link between our neighbors. We will be not only a bridge but will help to lay a foundation for full cooperation in the future.

No nation has suffered more or longer than China, for she has been the first and the last battleground in this world war. We have paid a great price for our own liberty and we have made a significant contribution to the world for the destruction of aggression. This time we must also win the world peace with which we know that the prosperity of Asiatic countries is inseparably intertwined, and any neglect of cooperation by Asiatic peoples will not only upset the economic equilibrium but also affect the peace of the most populous parts of the world.

Power Politics Must Go

Imperialism, colonialism, capitalistic aggression, aggrandizement and lust for conquest must go! We do not want any more "power politics" and "balances of power" but a genuine international commonwealth. In this new world, China expects to have an important place, not as a domineering leader but as a friendly nation enjoying the privileges and bearing the responsibilities of a strong and free nation. We want to be friendly to all our neighbors, in Asia, Europe, the Americas and the Pacific.

In our work, we would have the opportunity to promote friendship especially between Asiatic nations. Let us pool resources for world peace as we have done for war and remember our proverb: "All within the four seas are our brothers."

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far as justice and a lasting peace in this part of the world is concerned. This mainly because the equivocal past British policy and the war against Nazism have mixed the cards so completely that it appears impossible to ever sort them out again.

Dardanelles Problem, Too

Finally, the position of Britain and France is further endangered by Russia's attitude, particularly towards Turkey and the Straits. It cannot be doubted that the Soviet aim is to establish a "friendly" government in Turkey, a government shaped on the same lines as those in the Balkans, insuring devotion to the Kremlin's orders and wishes. Moreover, this policy is helped by an urge on Turkey's part to set up a democratic system similar to that in America and Britain.

Thus any opposition to Ismet Inonü's policies, when supported by the newspapers, is actually playing into the hands of the Russians. Whether Russian aims will be achieved or not, is another story. Nevertheless, Britain is very concerned over this issue and hopes for better results there than in other Middle Eastern states where her strength is declining. She is the more worried in as much as the Russian moves are perfectly timed and may, eventually, assume the appearance of the democratic will of the people.

THE FORMOSAN CRISIS

By L. E. F.

WIDESPREAD uprisings against the present administration in Formosa has focussed national attention on that unhappy island. The news blackout during the revolt did not contribute towards the solution of the grave problems involved. Readers with relatives on friends in Formosa searched the newspapers in vain for impartial, on-the-spot reports by *AP, UP, Reuters, USIS* or *AFP*. However, from private reports filtering through the news blackout it is generally recognized that the uprising is very serious and has been spreading like wild fire from Taipei to every part of the province, indicating the general discontent of the island inhabitants with the provincial administration appointed by the Central Government.

According to an editorial of the *Ta Kung Pao* the facts are as follows: On Feb. 27, the Government Sales Monopoly Office in Taipei sent out a truck to confiscate cigarettes owned by street vendors. Vendors resisted, whereupon the officers opened fire, killed or seriously wounded the vendors. This aroused popular indignation, and the whole city was in tumult.

On Feb. 28, disturbances began, demonstrators gathered around yamens, and set fire to the Monopoly Office. The government ordered the military to intervene, and the military fired at the mob. This further incensed the people, who retaliated against the civilian officials.

Disturbances soon spread from Taipei to Central and South Formosa. After five days, the serious conflict in Kayi, a big town in the central part of the province, had not subsided on March 4. The true number of casualties is not known, but the participants in the uprising numbered "several hundreds of thousands," according to the impartial *Ta Kung Pao*.

People Near Starvation

It must not be imagined that the Formosans are not patriotic Chinese. In face, the people were ultra-patriotic. A year and a half ago, when they heard of the pending arrival of soldiers from the Fatherland, the enthusiastic citizens of Keelung waited on the wharf for four days to greet the National Army, but the same evening there were more than 10 cases of robbery committed by these soldiers, the *Ta Kung Pao* recalled. They caused bitter disappointment to the Formosan brethren.

The paper opined that Governor Chen Yi, in spite of his idealism, has not staffed his government with proper men, and the best legislation in the hand of a thoroughly corrupted bureaucracy could only result in irretrievable disaster. Especially is it wrong policy to imitate the Japanese totalitarian methods, which had caused such discontent among the people. Due to the collection of taxes in kind and to army requisitions Formosa is no longer the "Granary of the Far East," but has become a food deficient area, and the poor people are on the verge of starvation.

Chiang Promises New Deal For Taiwan

Generalissimo Chiang in a statement made at the usual Monday Memorial Service promised a "new deal" for the people of Taiwan, including constitutional rights at an early date. His message is to be air-dropped over the rioting areas, inasmuch as the disturbances caused the suspension of all papers. Meanwhile, the Formosan Democratic League has sent a letter to the UN, asking that Taiwan be made a UN mandate, because the island is a present a "Devil's Island" where anti-Kuomintang elements are allegedly imprisoned.

Before V-J Day the wealth of Formosa had been concentrated in the hands of the Japs. Now it all has been requisitioned by the government. Of the 3,700,000 chias of arable land, 2,460,000 chias belonged to the Japanese Government and 2,100,000 chias to Japanese private individuals. All these are now Government possessions.

The redistribution of wealth has not taken place, but exploitation has become even worse. Six million unhappy people in Formosa are now in a desperate plight, with poverty general and unemployment increasing. Moreover, they are culturally isolated.

There is no freedom of speech, and the newspapers are forbidden to disclose the true situation. This is the background of the Formosan revolt, according to the *Ta Kung Pao*, which is known to be pro-government but impartial.

Formosans' Demands

According to the same source of information the Municipal Council of Tainan has presented the government with a nine-point demand, but these demands have not been published. Six Formosan popular associations with branches in Shanghai held a joint press conference on March 5 and made public a five-point demand on behalf of their brethren, these demands including: (1) immediate granting of local self-government to Taiwan, with popularly elected governor and county magistrates; (2) changing of the present system of government with both military and civilian authority vested in a single person, akin to a colonial viceroy; (3) abolition of the Sales Monopoly Office and government trade monopoly policy, both of which are special to Taiwan.

A delegation will proceed to Nanking to plead with the Central Government. It is to be noted that these demands are in line with the editorial suggestions of the *Ta Kung Pao* with the single exception that the paper tried to protect General Chen Yi, an influential member of the Political Science Group, to which the *Ta Kung Pao* is generally recognized to be affiliated.

International interest attaches to the Formosan rebellion because there are elements abroad and in Formosa who advocate an independent Formosa detached from China, contrary to the decisions reached at the Cairo Conference.

It may be pointed out that Formosa once was the most important military, air and naval base in the China Seas, dominating the entire South China Seas area comprising the Philippine Islands, the Indo-Chinese Peninsula, Dutch East Indies and the South China Coast. This area has been called the Asiatic Mediterranean, being comparable in importance to the Mediterranean Sea and the Caribbean Sea, the American Mediterranean.

Before World War I, the Mediterranean of Asia had been dominated for a century by Great Britain, then mistress of the oceans. After the outbreak of the Sino-Japanese War in 1937 the Japs converted Formosa into their main base for South China operations, thus menacing the whole Asiatic Mediterranean area. After Pearl Harbor, Formosa served as the main base of operations for the conquest of the whole of the South Seas possessions of the colonial powers.

Guarantee Of Peace

A contented Formosa in the hands of a strong and republican China will be the best guarantee for peace in the South Seas areas. On the other hand, 6,000,000 malcontents always on the verge of rebellion against a repressive government will be the surest inducement to foreign intervention. It is a well-known fact that when the Japanese Army purported to evacuate Formosa, large groups of Japanese military went into the unexplored Central Formosan Mountains with considerable stores of arms, for ulterior purposes which are only too plain.

Not only was this done, but to this day there still remain 27,000 Japanese "technicians" who occupy key positions in mines, factories and public utilities and continue to exercise supervision and browbeat Chinese of lower rank. Many observers opine that if the enemy guerrillas should descend upon the plains the undisciplined garrison force would be no match for them. The situation presages trouble for the future.

The only solution of the present crisis in Formosa which is not burdened with latent explosive matter seems to be the immediate putting into effect of the new Constitution of the Chinese Republic in the province of Formosa first, without waiting for the remote date of Dec. 25, 1947, as a sign of trust and affection by the mother country, which did a great injury to her Formosan sons and daughters by giving them away to the brutal enemy 50 years ago. Let their patriotic sentiments not be alienated by repression, and the people thus driven by desperation to the open arms of communism.

Reconstruction Of Human Lives Great Postwar Task Of YWCA

By JEAN LYON

EDITOR'S NOTE. — Jean Lyon, an American newspaperwoman who has spent many years in China, is at present in this country aiding the Chinese YWCA in shaping its post-war plans. During the war, she worked for China, both in this country and in America.

THERE was a well-thumbed package of letters, written in English, tucked under one of the pillows in the YWCA hostel in Canton. The girl to whom they belonged got them out each night before she went to sleep and leafed them through, although she could not read a word of English. They were from her brother in America—a brother who had fought in the American army during the war, had become an American citizen, and had learned to think and write like an American. They were her only link with a family which had been completely shattered by the war.

Every time the American YWCA secretary in south China went to Canton, she had to translate the letters for young I-ling. She has read them to her in Cantonese at least 15 times now. She still stumbles a bit when she tries to put into Cantonese the strangely un-Chinese phrases which the brother uses: "I'm going to send you some money, kid. Go out and get yourself dolled up with it. I want you to feel like a mi'lion dollars. Keep your chin up, baby. You're plenty o.k." I-ling weeps softly every time the letters are read to her.

Sent Into Interior

In 1938, I-ling's father, a small merchant in Canton, sent his two daughters into the interior, with enough money to keep them for the few months which they thought the war might last. They never heard from him again. The three brothers were already in America. I-ling's sister married in the interior, and I-ling herself spent seven years wandering from place to place and from job to job. Then the war was over and I-ling decided to go back to Canton to find her father.

She could find no trace of her old home, of her father, or of any of her father's friends. By the time she had finished her futile search she was afraid of men, afraid of women, afraid of the night, afraid of the day, afraid of the streets, afraid of herself.

She arrived one day at the gate of the Canton YWCA. She wanted work. Any kind of work. She started as a servant. As she began to re-establish herself, to get over her hysteria and to eat a little without the almost unbearable pains she had had for months, she showed herself capable of more. She was transferred to the YWCA's day nursery, where she helped care for the children.

Typical YWCA Case

The day finally came—and the YWCA had helped to hasten it—when the first letter somehow reached her from her brother in America. I-ling then began to hold her head up. She had a family again. She had someone who still cared about her. Now the YWCA has sent I-ling over to Hongkong to get her completely out of the environment where reminders of tragedy stalked her, and I-ling is now studying at night and working in an office during the day. She is at last a contributing member of society.

That is the kind of reconstruction —human reconstruction—which the YWCA in China is doing in every major city from Mukden to Hongkong and from Hangchow to Chengtu.

In Hongkong there is a little girl who looks about 14 because she is so skinny and small, but who is nearer to 18. She sells cigarettes from a tray strapped to her shoulders to eke out a living for younger brothers and sisters and a mother widowed by the war. She lived in Hongkong throughout the Japanese occupation, and was twice thrown into jail by the Japanese because they thought her family was connected with underground activities. They thought they could scare the little girl into telling tales. She was badly beaten up once, and her back still aches from it when she has been on the street all day long with her cigarette tray. She can't talk about it without sobbing. The four years during which the city was in enemy hands are a nightmare to her, still vivid.

Joins Night School

Last year the YWCA opened a night school for peddlers, and this girl entered one of the classes. Then the girls in the night school formed a club which met on Saturday nights, in which they sang and played games, and learned how to vote and how to conduct discussions. This sad-eyed, silent girl began to sing. She began to take part in the games. She began to lose her fear of talking. Last October she was chosen the song-leader, and elected by popular vote to the vice presidency of the club of 120 girl peddlers. Within a year, she has become a girl with a future to plan, rather than a girl with a past to sob over.

In 13 major cities in China, and in 58 different colleges and universities, the YWCA is helping to rebuild human lives. In Peiping, a middle school principal reported recently that during the war, under Japanese and puppet regimes, the students in middle schools had been forced to lie and had become adept at cheating. Their moral values had become twisted, and now it was difficult to make them see why lies were not acceptable and why cheating was wrong. Recently the YWCA in Peiping opened its doors during the middle schools' winter vacation period to middle school girls. They came each day, and along with sports and handicrafts and a recreational program that kept them interested and busy, they began to ask questions about some of these problems which were bothering them. In group discussion they began to search for the answers.

Methods Democratic

By a process more democratic than that in many an organization in America or Britain, the YWCA in China puts its Christian principles into practise. Its application of the democratic method in all of its work is perhaps one of its most interesting, if at times one of its most maddening, characteristics. Group discussion must precede every decision that is made, whch often slows up the decisions, but which certainly develops the women and girls who take part in making them. Every woman member has a chance to speak her mind, to decide what she herself wants the YWCA in her locality to be and to do, both for herself and for the community. And before she is even aware of what has happened to her, she has developed a new sense of her own value to the community, and has begun to share in the responsibilities of carrying out programs, welfare projects, community services, and even civic posts.

Last year two active YWCA members were elected to municipal councils in two different cities. One is a factory worker, whose only education and training for leadership was her three-year course in a YWCA night school and her active leadership in the YWCA industrial girls' club in her city. The other is the chairman of a city YWCA's board of directors, and has been a YWCA member for more than 20 years.

Reconstructing Humans

Reconstruction in China is usually talked of in terms of buildings, machinery, production, improved farming techniques. But one fact which has emerged in this postwar period, even when every other fact in China seems confused, is that none of the mechanical, material reconstruction can be accomplished without people to administer it who are mentally and spiritually healthy enough to think straight. People like I-ling are afraid. They have lost their moorings. They are too sick to think straight. People like the child in Hongkong are broken. They see no future and the past is a nightmare.

The YWCA has its share of material reconstruction to do. Like every other institution, it has had to lay bricks, repair plumbing, beg and borrow buildings, train workers, scramble for funds. But each brick that it lays is laid in order to expand its program to rehabilitate human lives. For China's women, the Young Women's Christian Association is doing a fundamental job—a job which is developing women of all strata of society to take their place, and to have a voice, in the shaping of a new society.

"Passive" U.S. Charity Useless; Organized Aid Held Necessary

By LAM ON-PONG

ONCE upon a time there was a fellow who was down and out. He looked so completely helpless and destitute that a group of village rogues gathered together to make fun of him. They formed a line, each with legs spread, and, forcing this dilapidated looking fellow to his hands and knees, made him crawl down the line between their legs. He succumbed meekly, knowing perfectly well that he was not in a position to resist.

Very soon this poor creature was in a state of acute financial distress. One day on the bank of a little stream he was on the verge of collapse from starvation. Nearby was an old woman washing clothes who, taking pity on this wasted looking youth, offered him her bowl of washing starch to relieve his hunger. Needless to say, the starving man accepted and was profuse with his thanks and avowals of repayment.

"Young man, I am inclined to believe your bombastic protestations of thankfulness," replied the old woman, "But mere words will get you nowhere. Look at those rags you are wearing! Discard them, and make a man of yourself. Whether you repay me or not is unimportant."

History does not record in detail what caused the young man to change so suddenly, or how he came to be the most famous general in the Han Dynasty. But it does mention that he remembered the old washing woman, and repaid her amply with gold and gifts. The name of that once impoverished young man was Han Hsun—a name even kindergarten children are taught to respect even to this day.

China Potentially Great

Today, China can be compared to that destitute fellow in rags. She is down and very nearly out. But what potential greatness she has! Her most urgent need is a sympathetic friend, who will give her such aid as is necessary to save her life. A Chinese myself, I have great confidence in the great revival powers of my people. But who is going to be to China what the washing woman was to Han Hsun? Let me tell you another parable:

Once there were two very rich men living in adjacent villages. They were close friends and both were generous and good-hearted. It so happened that both their native villages were suffering from repeated droughts, and famine was threatening the inhabitants.

One of the rich men threw open his well-stocked granaries and gave away food to all the hungry villagers. No one who approached him for a loan was turned away empty handed. Praise for his good deeds was on the lips of all, and his name was synonymous with that of the Goddess of Mercy. But in 10 years he had given away all he possessed and finally he himself became a pauper. Nevertheless, he was happy because he knew that he had done all he could for his fellow men. But the general state of poverty in his village was in no way alleviated.

An Amazing Contrast

One day he went to visit his wealthy friend in the neighboring village, and was amazed to see that the once equally destitute neighborhood now showed signs of great prosperity. He saw acre upon acre of well-farmed lands, ripe, golden fields, heavily laden orchards and neatly built houses. Flourishing factories and schools were everywhere, and the people appeared to be cheerful and healthy.

He found his friend living in a palace-like mansion, surrounded by signs of obvious wealth. At first, his friend had trouble recognizing him, but finally seeing through the rags, rejoiced and embraced his visitor with great warmth.

"Ah, my good friend," cried the rich friend, "your good deeds and honorable name are known far and wide. No man can give more than he who gives himself. What I have here, you may henceforth share."

"But I heard that you were a great philanthropist, too," replied the bewildered visitor. "Never a day passed that I did not hear your name praised by some passing stranger. May I ask how it is that you have acquired so much wealth during these past few years, when you are reputed to have given away so much? What puzzles me even more is, how you have raised the standard of living in this village? You have driven poverty away from your bountiful lands!"

"Ah, yes," explained the rich man, "I gave all I had, too, but in a less direct way. Today I retain not only all that I once gave away, but in addition a large income constantly flows into my private purse. It is actually very simple. Instead of giving cash to those needy souls, I bought modern farming equipment and fertilizers, and gave them good seedlings free of charge. I also established large factories, thus giving employment to idle hands. Then I opened schools for adults as well as children.

"At the end of the first year, there were no more beggars on the roads. The second year found everyone producing surplus food for neighboring markets. The third year passed and my factories were humming day and night. At the end of five years, my original investment was recovered, and everybody here was on the way to economic stability. The schools had taught the people how to manage their own destinies with intelligence. You see, I gave in an indirect way and saw to it that my wealth became living charity. Remember, beggars will remain beggars unless they are encouraged to change their profession."

As A Chinese Sees It

Likewise, Uncle Sam, you are giving away your wealth indiscriminately and with abandon, and thus fall into the same category as the first rich man. The entire world knows that you are kind and generous, and it is to you they look for succor. But hungry mouths are bottomless pits unless they are helped in an organized and constructive fashoin.

In China's case, your financial assistance to date has done nothing to alleviate the sufferings of the Chinese masses. On the contrary, it has made trillionaires of a handful of officials. If you would only plan with the Chinese people foremost in your mind, and make sure that your wealth becomes living charity, in terms of roads, railways, industrial equipment, schools, electrical plants and fertile fields, you, too, would get back your capital with interest, in terms of true gratitude, higher Chinese purchasing power, and better trade relations between our two countries.

You should stipulate to our Government that your money be expended only on specified projects, with direct American supervision, and upon completion handed over to the Chinese people for control. I am sure that if you approach us with the sincerity of a true friend, we will not look upon such guidance as encroaching upon our well-worn national sovereignty.

"Passive Charity" Useless

The crown of world leadership is a heavy one. Whether you like it or not, it has been thrust upon you since World War II, and it is dangerous for you to try to crawl back into your isolationist shell again. You have cracked the world wide open with your atomic bomb, so yours is the responsibility of keeping the world peaceful and united.

The world will not remain peaceful while one section is starving through no fault of its own. And remember, passive charity never does permanent good to either the giver or to the receiver.

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Central Bank Officials Changed, But Markets Fail To React

THE appointment of Mr. Chang Kia-ngau and Dr. S. Y. Liu as governor and vice-governor of the Central Bank of China, respectively, during the week under review, had little influence on the market. Although others responsible officials of the Central Bank reportedly will soon be changed, the policy of the bank is not likely to be altered. The Emergency Economic Control measures announced by the Central Government on February 17, it is expected, will be enforced as strictly by the incoming officials of the Central Bank.

The most important development which clearly showed the firm decision of the Government to carry out these plans, was the preparatory work in this city, as well as elsewhere, for rationing daily necessities.

No Gold Bar Trading

There was no trade in either gold bars or American banknotes, these operations having been banned by the Government on February 17. Investigation of the recent "gold rush" continued, following the arrest of Frederick Mysberg, a Netherlands national, who is still detained by the local court on charges of having speculated in gold and foreign exchange markets after February 17.

Further investigation was pushed into the hoarding of commodities. Many businessmen found hoarding cotton yarn, gasoline, and other necessities, have been arrested by the Woosung-Shanghai Garrison Headquarters.

Despite repeated visits by members of the police to the Shanghai Securities Exchange, prices of stocks and shares remained firm with quotations rising steadily. One success reportedly achieved by the police was the elimination of black market trading in stocks, which thrived as a means of avoiding payment of commission to the exchange and of trading tax to the government. As a result of this success, the daily turnover of the exchange increased manifold from 10-20,000,000 to 50-60,000,000 shares.

Factories' Capital

The chief cause for the hike in stock quotations was said to be the decision of factories to increase their capital and distribute bonus shares to shareholders, according to Government regulations of December 28, 1946. Another reason for the firm trend was the concentration of idle capital here.

According to one unconfirmed report, stock and share trading at present is capable of absorbing only CNC$200,000,000,000, although there is at least CNC$2,000,000,000,000 idle capital in Shanghai, not to include huge sums currently frozen in the form of gold bars and American banknotes. Therefore, the planned increase of capital and the issuance of additional shares will help absorb a portion of this idle capital.

Commodity price trends were weak, with rice dropping to CNC$100,000 per picul; newsprint falling from a high of CNC$160,000 to CNC$110,000 per ream; cotton yarn, cotton cloth, artificial silk, coal, caustic soda and others continued to drop, although some items exhibited a strong undertone.

Police Visit Mart

Police visited the yarn market during the week and closed it for two days when it was discovered that yarn was being bought and sold at black market levels. It has now been agreed that market officials will see to it that a profit of not more than five percent on the official price is permitted in the market.

Additional quantities of cotton yarn were being shipped to Siam and the South Seas, while it was said that an agreement has been reached between the Chinese and British authorities for the export to Hongkong of 2,000 pieces of yarn per month for the next three months.

Increases in public utility rates, such as bus, telephone and electricity, were reported, but an order from Nanking overruled the increases. The aviation companies have not yet resumed domestic flights as no adjustment of passenger fares has yet been made.

China's imports in 1946 totaled CNC$1,501,165,246,000 and exports CNC$412,111,811,000, giving an unfavorable balance of trade amounting to CNC$1,089,053,435,000. UNRRA imports in 1946 totaled CNC$399,231,335,000.

The following list gives local market quotations for the past week:

	Mar 1 CNC$	March 8 CNC$
Bond C	8,800	8,900
Wing On Textile	2,575	2,900
Mayar Silk	5,600	7,100
Ewo Cotton	16,500	19,800
Rice	110,000	110,000
Wheat flour	54,000	51,000
Peanut oil	290,000	290,000
20's yarn	3,200,000	——
12 lb. Cloth	152,000	158,000
Raw silk	7,650,000	7,600,000
Artificial silk	7,900,000	7,200,000
Ruby Queen cigarettes	33,700	32,000
Koo Ban Soap ..	230,000	210,000
My Dear matches	1,460,000	1,430,000
Newsprint	140,000	115,000

The Chinese Government, through its Board of Supplies, has to date sold US$6,000,000 worth of surplus property of the US$500,000,000 total to be eventually shipped here from the various Pacific islands, the *Sin Wan Pao* reported. The supplies included cars, construction materials, communication equipment, aviation equipment (excluding planes,) industrial equipment, medical supplies, chemicals and textile equipment, the paper said.

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NEWS OF THE WEEK

Constitutional Rights Demanded In Taiwan; Rebellion Spreads

MARTIAL law was declared in Taipeh, capital of Taiwan, following severe clashes between the provincial authorities and Taiwanese, touched off with the alleged shooting of two vendors of cigarettes who were charged with infringing the Government monopoly. The riots began on an insignificant cause and spread rapidly and it was first reported that more than 3,000 officials and members of their families were killed in the first two days of disorder. *Central News* later corrected this figure and placed the casualties at somewhere around 400 officials killed or wounded, and 100 Taiwanese killed.

There was a sinister hush for two days before the riots broke out anew with greater ferocity. This time the people of Taiwan were reported to have armed themselves with rifles, trenchmortars and machineguns and staged attacks against the Garrison Headquarters, government offices and buildings and the Army hospital. The incident which was at first dubbed the "February 28 Incident," spread over the weekend and forced the Generalissimo to take personal charge of the problem.

The Generalissimo urged the Taiwan Administrator's Office to adopt a "lenient and peaceful policy," in order to arrive at a rational solution of the Taiwan problem.

The next day, however, *Central News* reported that troops had already landed at Keelung to reinforce the garrison and the Generalissimo expressed the belief that "peace and order will be restored shortly since the government has dispatched regular troops to take up garrison duty in that province."

The first charges that Communists were responsible for the uprisings came from President Chiang himself. He told the weekly memorial meeting that "Taiwanese Communist members who had during the war been drafted by the Japanese to fight in the South Seas" had instigated the disorders.

President Chiang revealed that Governor Chen Yi had promised that the Administrator's office will be replaced by a provincial government and that all magistrates will be elected by the people before a fixed date.

"Unfortunately, on March 7, the so-called Committee for the Handling of the February 28 Incident lodged further unreasonable demands, asking for the abolition of the Taiwan Garrison Headquarters, the surrender of all arms to the committee and the exclusive employment of Taiwanese in all army and naval units in Taiwan," the Generalissimo is reported by *Central News* to have said.

The President admonished the people of Taiwan to "abide by law and not to become an instrument of the traitorous cliques," *Central News* added.

Meanwhile, the representatives of six Taiwan organizations told a press conference in Nanking that "6,000,000 Formosans have sworn to achieve their aim of self-government and to dispossess Chen Yi from the governorship in self-preservation and in safeguarding precious liberties." They demanded the establishment of their own government and magistrates, abolition of the special administration, the punishment of Governor Chen Yi and the soldiers who opened fire on the Formosans, the abolition of the government monopolies, and the immediate release of arrested rioters together with a guarantee against further similar incidents.

The delegation further accused the Governor of "copying Japanese methods in ruling Formosa." They said that the February 28 incident started when soldiers of the Monopoly Bureau killed two cigarette peddlers in a search for "non-monopolistic cigarettes," and asserted that 3,000 or 4,000 Formosans were massacred wholesale, "putting to shame even Japanese cruelties."

Governor Chen Yi, in the meantime, ordered the dissolution of the "Feb. 28 Incident Settlement Committee" for "overstepping its powers and indulging in activities bordering on rebellion against the state," *Central News* wired from Nanking.

China Issue Not Placed On Moscow Agenda

VIACHESLAV Molotov's suggestion that the discussion of obligations undertaken by the great powers at the last Moscow meeting in regard to China be placed on the agenda of the current Moscow conference were opposed by both U.S. Secretary George Marshall and British Foreign Minister Ernest Bevin. The final agreement reached involved the unofficial discussion of these obligations and excluded the announcement of the results in a special communique. At the time news was received of Molotov's proposal the Chinese Government strongly protested this move and declared itself against any discussion of the China issue without Chinese representation.

"TUG OF PEACE"

—Burck in The Chicago Times

Management Vs. Labor

A LIVELY debate at the City Council on the subject of the adjustment of the high cost of living index, ended in a decision to refer the matter to the Social Affairs Sub-Committee, which would report its findings to the council's next plenary session in April or May. This in fact meant that no solution of the present unsatisfactory arrangement for compensation of the rising cost of living would be forthcoming until the spring, thus building up an explosive situation in labor-management relations.

Shui Hsiang-yun, leader of the General Labor Union, said the compensation plan, based on only six commodities, ignores the factor of the worker's individual efficiency and also fails to take into account the 48 other commodities, the prices of which soar monthly and which form an integral part of a worker's cost of living.

His contentions were countered by representatives of the Chinese Chamber of Commerce, who said that the emergency measures promulgated by the Government were designed to protect "the nation's economic fabric."

Thus, the "unfreezing" of the January HCL indices and the maintenance of the present compensation plan, although supported by most labor leaders, and by labor in general, was not voted.

Planned Economy

THE Supreme National Defense Council last week passed measures for the "implementation of planned economy," which are aimed at the development and rehabilitation of China's vast rural areas. The measures were forwarded to the National Economic Commission for implementation, but as usual the general public was not aware of what these measures and plans were to be.

A *UP* report from Nanking said that the new measures are said to have been based on Dr. Sun Yat-sen's principles embodying land reforms, urging the promotion of standardized cooperative farming and the development of irrigation and communications in rural areas.

Wang Yun-wu, Minister of Economic Affairs, submitted his resignation to the National Government, one week after the departure of T. V. Soong from his post of premier. The resignation has not yet been accepted by President Chiang Kai-shek.

Informed quarters opine that if Wang is released his post will be reserved for a member of the Democratic Socialist Party now ready to enter the Government.

The basic causes for the present unsatisfactory economic situation was last week summed up by former premier T. V. Soong in his speech before the Legislative Yuan:

"The truth can be told in one sentence. The present economic crisis

is the cumulative result of heavily unbalanced budgets carried through eight years of war and one year of illusory peace, accentuated to some degree by speculative activities."

Soong thus set the task for his successor: To balance the long unbalanced budget and get rid of the huge deficit and incidentally to curb the "degree of speculative activities."

To achieve these aims, Soong urged that the budget be pruned of unnecessary expenses, public utilities and services be made to pay for themselves, tax revenues be increased by rigorous collection of such taxes as the income tax, and enemy property and American surplus property be sold energetically.

Red Areas Relief

CHINA Liberated Areas Relief Administration last week made public a denial that 2,141 tons of medical supplies had been shipped to Communist-held areas in Shantung and Hopei as announced by CNRRA on the previous day. "Not one pound of such supplies were shipped to our areas last week," Ling Chung, CLARA Director of Operations said. He added that CLARA had been urging UNRRA and CNRRA for the past year and a half to ship supplies to the Red areas, but "only 1.72 percent of all supplies sent to China by UNRRA," were received. He said that only 200 tons of medical supplies had been received in the Communist areas to date.

On the following day, CNRRA admitted its error in the announcement that 2,141 tons of medical supplies had been dispatched. The error, according to CNRRA, arose due to "statistical confusion between supplies allocated and tonnage already shipped."

The relief agency also added that two LSTs with 3,000 tons of supplies were being loaded for shipment to Communist-held Shantung areas. The shipments are "only a part of an extensive and accelerated program aimed at supplying Communist regions with urgently needed medical agricultural and transportation equipment," CNRRA said.

Although the official Communist liaison groups have left KMT areas CLARA was permitted to retain five of its 12 representatives here, but the Reds have protested this decision saying that this reduction would "jeopardize" the entire relief program for the Communist areas.

Final Break And Force

GNERAL Wu Te-chen, Secretary General of the KMT Central Executive Committee, who came to Shanghai "to invite minority party leaders to discuss the Government reorganization," told *Central News* that the blame for the civil war lay solely with the Communists.

"With the attainment of peace through political means virtually doomed by Communist insistence on two unreasonable demands, the only means left today to realize peace is force which, however, was begun by the Communists and not by the Kuomintang," the general said.

Another prominent KMT member, Minister of Organization Chen Li-fu, told 3,000 KMT members here last week that "following the complete banishment of all hopes pinned by the KMT of the Communists.... KMT members are now confronted with a titanic task of a dual nature, by well discharging their duties, on the one hand, and absorbing the Communists, on the other."

From Hongkong, General Li Chi-shan, former warlord of South China, and at present member of the National Military Council, issued a bitter anti-KMT statement, charging the Generalissimo with being directly responsible for China's present plight and calling on all believers in Dr. Sun Yat-sen's principles to rise up and demand reforms. "Otherwise, China is headed for total collapse," the general said.

Wang Yun-wu Not Resigning

THE report carried by the local Chinese press last week to the effect that Economics Minister Wang Yun-wu had tendered his resignation to the Government, was denied this week by circles close to the Executive Yuan. The same source stressed that the minister's resignation, if tendered, would probably not be accepted by the Government in view "of the services he had rendered at his post since May 15, 1946." It is also said that Wang is to remain in the government after the current reshuffle.

NE Red Offensive?

THE Red forces which reportedly began to retreat from across the south bank of the Sungari River in Manchuria, after attacking Changchun and Kirin, have now launched a new offensive and have driven the Nationalists back across the river. The Communist forces are reported to be pursuing the Nationalists at three points: Wachiachan, 18 miles west of the Changchuan-Harbin Railway, Wakoshu, 15 miles east of the same line, and Shulan, 50 miles east of the railway. The forces involved on the Communist side were said to be about 20,000 men.

Other Communist units, according to *UP*, are attacking the town of Kuoshantung, northwest of Tehhui, where the battle initially began last week.

In Shantung, street fighting is reportedly raging in the city of Kiaohsien, 21 miles northwest of Tsingtao. There about 50,000 Communist troops are engaged in the battle for the city, which, it now transpires, has been under siege for 12 days.

At Kaomi, 36 miles north of Tsingtao, the Nationalists claimed a success when they repelled the Reds who forced their way into the city.

The *HsinMin Pao*, commenting on the battle for the Tientsin-Pukow railway, aid that the Government expects to open this line and capture Yenan within three months. This, according to the paper, will be climaxed by the reopening of negotiations within six months.

"Yer a menace to the people. It's me duty to sink your end of the boat."

—Bill Mauldin

Army Self-Sufficiency

GENERAL Pai Chung-hsi, Minister of National Defense, in his tour of the North China, is reported to have advised the various Nationalist commanders that the lack of trained soldiers and inadequate apportionment from the government constitutes a serious handicap in the struggle against the Communists.

Pai urged them not to lean too heavily on the government for financial support and asked them to work out a self-sufficiency basis on which to conduct their military operations.

In Yenan, General Chou En-lai, Communist expert on foreign affairs, told *AP* that United States policy toward China showed "no signs of improvement since General George C. Marshall became Secretary of State —in fact it has gone from bad to worse."

Chou charged that the United States was continuing in its support of Generalissimo Chiang Kai-shek, through cotton, railroad and other loans, "while making the pretense of withholding the US$500,000,000 asked by the Chinese Government." He charged that actual assistance to the Generalissimo had exceeded the amount of the blocked loan.

He ended by saying that only the support of the United States was keeping Chiang Kai-shek "and his dictatorship government from complete collapse."

In this interview, one of the latest to be granted to a foreign correspondent, Gen. Chou denied that the Communists were considering the calling of all Liberated Area representatives to form a central government.

Finally, Chou reiterated the two demands so often presented as the sole basis whereon the peace negotiations between the Kuomintang and the Communists could be resumed: (1) return to the January 13, 1946 military positions; and (2) the annulment of the constitution adopted by the National Assembly.

For the first time since the announcement that the Central Government would be broadened to include minority party representatives, members of the Young China Party attended a meeting of the Legislative Yuan.

The meeting passed a resolution suggesting that the Supreme National Defense Council order the Ministry of Finance to stop the printing and circulation of large denomination notes.

What U.S. Papers Say . . .

THIS week United States papers were still commenting on T. V. Soong's resignation and the closely related subject of the governmental reorganization in China. Attention was to a large extent concentrated upon the prospects of the Moscow Conference.

* * *

T. V. SOONG

IN some quarters the resignation of Dr. T. V. Soong was not regarded as auspicious. According to the *New Orleans Times-Picayune* Soong's ouster had long been sought by the "old guard which clings to vested interest in land ownership and a belief in authoritarian rule" and that therefore, "his resignation may well mean the complete triumph of these reactionaries."

The *St. Louis Globe-Democrat* regarded Soong's resignation as a "severe loss to China and to Chiang Kai-shek's Government." The paper concluded: "It seems inevitable that he will soon be asked to return to the Government and perhaps when he does it will be on terms which will enable him to institute the reforms needed to meet the economic emergency."

On the other hand, the *Louisville Courier-Journal* viewed the resignation of Soong as an indication that the "Kuomintang may be ready at last to effect a coalition government."

"But," the paper added, "had not the Kuomintang Government—to which Chiang, Soong and the Legislative Yuan all belong—resisted all liberal thought, it might have been possible to terminate the conflict. It might have been possible even to avert inflation, which has made the Chinese dollar virtually worthless .... However, if the Kuomintang in its present extremity has found that salvation lies only in reformation, it may not be too late to hope."

* * *

REORGANIZATION

AGAIN apropos of T. V. Soong's resignation, the *New York Times* observed that with Chiang Kai-shek temporarily succeeding T. V. Soong "the choice of his successor may furnish the key to the Generalissimo's intentions. If a capable liberal is appointed to the post, which corresponds to the premiership since the Executive Yuan runs Nationalist China under Chiang, it will be evidence that Chiang intends to continue progress toward the democratization of his Government that was begun with the adoption of a constitution. If one of the old inner group is named to the post, the outlook will be discouraging.

"It will require more than the resignation of one official to break the grip of the inner circle on the affairs of China. Men who have savored the power they have had do not relinquish it except under strong pressure. But if Chiang has the will to do it, many observers in China believe he can apply that pressure. Certainly there is no one else who can."

The *New York Herald Tribune* saw in Chiang's assertion that China would be unified within one year a prediction that the Communists will be destroyed in the present military campaign. The editorial labeled this a bold prediction considering that "there has been fighting between Chiang's Government and the Communists for 20 years and....the Reds are far stronger now than they were in 1927.

"While few authorities on China would be willing to support the Generalissimo's prediction, there are many who believe he might win control of all China eventually if he had the daring to adopt a program of complete reform of his Government. .... There would then be created an opportunity for the Government to win more popular support in China.

"Not much disagreement exists even among Chinese on how this support could be won. Even Chen Li-fu, the conservative political boss of the Kuomintang, has pointed out the need of agrarian reforms to win the backing of the peasants who make up more than three-quarters of China's population. These reforms are of especial importance near the centers of Red domination and in countries recovered from the Communists. They are of at least as much importance as anything that can be done on the battlefield of the civil war. Armies without popular support in Asia today fight under the most grave handicaps as several European powers with Asiatic possessions have discovered since 1941. In China certainly the Generalissimo needs popular support even more than he needs trained soldiers or arms or ammunition."

* * *

CONFERENCE

COMMENTING on the Moscow conference, most papers were agreed upon the necessity of a firm attitude towards Russia. All underlined the importance of the occasion.

According to the *New York Times:* "....One thing, certainly, should quickly become apparent. That is whether the Russian Government is really negotiating in good faith, or whether it is pursuing a policy of diplomatic attrition designed to weaken the Western nations by delaying peace and reconstruction."

The *Washington Post:* Secretary Marshall would be making his best contribution to peace if he served notice that another Soviet theft of dominion will produce resistance. We can bring pressure to bear on Moscow in divers ways: through the United Nations, through our export controls, through the application of reciprocity of treatment, through our armed forces....Peace can be saved in these perilous times only by.... showing Russia that we cannot tolerate any more of their advances and coups. That is the only way to evoke reasonableness and with it accord."

Business Foot-Notes

The men of the Lone Battalion, China's glorious fighters who made a heroic stand against the Japanese in Shanghai in 1937, are now reported fighting for their livelihood. More than 10 members of the battalion, led by Hsia Ching-yuan, widow of the commander, called on Mayor K. C. Wu to petition for relief and jobs. The Mayor granted them a relief subsidy of CNC$50,000 per man per month, "to alleviate their financial difficulties." Earlier, battalion members were prevented from working as wharf coolies and were involved in a scuffle with waterfront laborers.

* * *

The Ministry of National Defense has readjusted the pay for Chinese servicemen, and the schedule has already been approved by the Generalissimo. The 30 percent increase will mean that an Army general will receive CNC$500,000, and a private from $15,000 to $25,000 per month. A vice-admiral will get CNC$500,000, and a sailor about $25,000. An Air Force lieutenant general first grade will receive CNC$500,000 and privates from $30,000 to $70,000 per month.

* * *

The Shanghai City Council has decreed the formation of an overall United Power Company serving the entire Shanghai Municipality. This measure is designed to make up for the present 60,000 *kwh* power deficit and provides for the employment of 90,000 jobless workers. Two large Japanese reparation turbines capable of generating 100,000 kilowatts of power will be requested from the Executive Yuan. All existing power companies, including the American operated Shanghai Power Company, together with large financial interests as shareholders, will participate in the project.

* * *

American business interests are prepared to assist in practicable and mutually beneficial ways in the development of Japan's peacetime economy, U.S. Ambassador George Atcheson, Jr. declared in Tokyo. This announcement gives credence to widespread Tokyo rumors that Atcheson had secured "sizable" reconstruction loans and credits for Japan from American business while in the United States recently.

* * *

General Tang En-po, former mayor of Shanghai, was appointed commander-in-chief of the First Army Group headquarters in Hsuchow. General Chang Chen, vice-commander of the Nanking garrison, was named acting commander of the garrison following Gen. Tang En-po's departure for Hsuchow.

* * *

An American protest to the Netherlands Government against the seizure by the Dutch authorities of the American freighter Martin Behrman was reported by *AFP* from the Hague. The vessel was held up and forcibly boarded by Dutch marines as it was leaving Java with a cargo of raw materials purchased from the Indonesians, which the Dutch subsequently unloaded.

* * *

Sweden has ordered 11,500,000 linear yards of Japanese cotton textile goods, the first western nation to place an order for such goods through SCAP. Other orders are reported from Siam, the Philippines and Malaya, and are expected to boost Japanese cotton textile exports beyond the 400,000,000 yard mark this year. Prior to the war, Japan exported 3,000,000,000 yards annually.

What Chinese Papers Say...

INTEREST this week was centered on the Communist evacuation of Nationalist territory and connected political developments. The arrests in Peiping came in for considerable criticism in liberal circles. The situation in Taiwan was regarded as most grave.

* * *

COMMUNISTS

THE order for the withdrawal of the Communists from Nationalist territory aroused widespread interest among Chinese editors; it was regarded by most as inevitable. Many advocated vigilance against those Communists who obviously remain.

The *Ho Ping Jih Pao* suspects that there are more Communists in Nationalist territory than have declared themselves. It therefore adjures those Communists who remain to renounce their allegiance to a party which resembles a "Fifth Column." It also considers that other "so-called 'democratic elements'" should search their own ranks for Communists; they should cease to hinder democracy in the name of democracy, to undermine national unification in the name of unification, and to deceive the people by pretending to be their representatives. Failing that, these elements should also evacuate.

Similarly, the *Shun Pao*, remarking that the evacuation of the Communist personnel has generally been considered inevitable, doubts that the 34 persons evacuated from Shanghai constitute the party's total strength in this city. It accuses the Communists of evacuating in such a hurry that they left part of their personnel, which was "rather irresponsible." If those persons have been left behind on purpose to carry on secret activities, it is hoped that the government will investigate and register them; that while allowing them freedom of thought and belief, it will not permit their actions to affect peace and order; that while allowing them freedom of person, it will not adopt a laissez faire policy now, in which case any disturbance which might break out would be the government's responsibility.

* * *

ARRESTS

CLOSELY allied to discussion of the evacuation were comments on political arrests.

The *Wen Wei Pao* remarks that the enforced exodus of the Communists indicates that the government has found it necessary to break off all relations with them; the paper hopes that the "split" will not be of too long duration. Before and after this latest development, the paper alleges, large-scale terrorist activities took place in different localities. In Peiping more than 2,000 persons were arrested; in Chungking the Yu Tsai School was searched. Rumors of similar activities in Shanghai are circulating. The paper questions whether these rumors are part of a planned war of nerves, or whether there is actually a plan for the undermining of human rights. The government must clarify the situation.

The paper declares that the government will prove its bad faith before the whole world if it suppresses those advocates of democracy who are physically weak scholars or just plain citizens: those whose only instruments are eyes, which do not like to see corruption, mouths which like openly to comment on the political situation, pens which appeal for democracy. The paper points out that it is poor political strategy to consider all people who fight for democracy to be Communists. People at home and abroad will get the impression that the Communists are the only ones who desire peace and are fighting for democracy.

The above editorial called forth a rebuttal from the *Ho Ping Jih Pao*. It accused the *Wen Wei Pao* of defending the Communists, in spite of the fact that they fight the Nationalist troops and incite riots. The *Ho Ping Jih Pao* angrily refuted the accusation that the Government considers all those who fight for democracy to be Communists; the Kuomintang has consistently fought for democracy, and looks upon those who fight for it as its comrades.

The *Ta Kung Pao* deplores a situation in which the Government and the people suspect and fear each other, and foresees that if both are jittery, incidents may occur even in communities which are quite peaceful and stable. It deplores the mass arrests in Peiping, opining that it is because Peiping is close to the fighting front that the authorities have taken such steps. Actually, according to this editorial, the move has only served to increase social instability and was unwise. It will drive those with leftist tendencies into the opposition camp, and lower the prestige of the Government at home and abroad.

* * *

TAIWAN

THE Chinese press generally takes a grave view of the Taiwan rebellion. The *Chung Yang Jih Pao*, a KMT organ, says that the main reason for the serious proportions of the incident is that the special police of the Taiwan Provincial Monopoly Bureau and the joint police-military patrol too lightly opened fire on the mobs, infuriating them.

It holds the monopoly system and Governmental control of trade to be obsolete and long discarded by the Central Government. It says that Gen. Chen Yi, Governor of Taiwan, has too much "self-confidence" and has not appreciated the likes and dislikes of the people. The incident has been due entirely to mishandling by the Provincial Government authorities, military and police and should not be blamed upon all non-Taiwanese in Taiwan.

Who's Who in China

LIEUTENANT-GENERAL TING CHIH-PAN, army, officer and Deputy Commanding General of Second Pacification Area and concurrently Commander of Garrison Command

Lt.-General Ting Chih-pan

（丁治磐字倡庵）

Headquarters, Tsingtao; born at Tunghai Hsien, Kiangsu, January 14, 1897; graduated from 1st class of Kiangsu Military Officers' Educational Corps, 12th class of Military University and 1st class of Military Training Corps, specializing in infantry; appointed lieutenant, platoon commander, 62nd regiment of 16th Division, Nov. 1912; promoted first lieutenant, platoon commander of 1st Regiment, 1st Brigade, Kiangsu Strategic 4th Route Infantry, May 1913; promoted captain, adjutant of same army, Feb. 1914; appointed captain, company commander, 151st Regiment, 76th Combined Brigade, Dec. 1918; became major, battalion commander of same army, Sept. 1922; was transferred to Tunghai Garrison Command Headquarters as a staff officer, Oct. 1924; promoted Lieutenant-colonel, chief of staff, officer's section of 1st Army Guard Brigade, Jan. 1925; promoted Colonel, chief of staff of 23rd Division, Nov. 1925; promoted major general, chief of staff of 6th Army, 1925 and concurrently lieutenant-general, chief of staff, Commanding Headquarters of Central Route of Submissive Army, Dec. 1926; was transferred as Lt. General, chief of staff of General Commanding Headquarters of 7th Area Army, Oct. 1927; became Lt.-General, chief of staff of Reorganized National Revolutionary 6th Army, June 1928; was transferred as Major General, chief of staff of 48th Division, Dec. 1928; became Lieutenant General as chief of staff of 10th Rebellion Suppression Army, March 1930; brigade commander with rank of major general, chief of staff of 10th Army, Oct. 1931; deputy divisional commander with rank of major general, 41st Division, March 1937; promoted Lt.-General, commander of same army, Nov. 1937; commander with rank of Lt. General, 26th Army, Jan. 1942; deputy commander-in-chief of 27th Group Army and concurrently commander of 26th Army, May 1945; was transferred to be deputy commanding general of 4th Area Army, Dec. 1945; Deputy Commanding General of Second Pacification Area Headquarters since 1946; address: Second Pacification Area Headquarters, Tsinan, Shantung.

NEW BOOKS OF INTEREST

Foreign Trade

INTERNATIONAL TRADE PRINCIPLES AND PRACTICES *by Paul V. Horn. Published by Prentice-Hall, Inc., New York,* 1946. 694 *pp.,* US$6.00. *Reviewed by John Ahlers.*

GOOD useful modern textbooks on foreign trade, lending themselves to systematic university study as well as to informative reading by the general public, are rare. Though there are many books on the subject, most of them are hopelessly antiquated. Some devote tiresome chapters to the clumsy exposition of 19th century "principles," the operation of which cannot be observed in practice but is being illustrated with imaginary "examples." Others betray the hopeless unfamiliarity of the authors with all practical problems. Yet others try to convey nothing but practical information and fail through lack of systematic presentation.

This book by Paul V. Horn is the most useful of the books on the subject which the United States, leader in the world's trade, has yet produced. The first edition appeared in 1935, and right away found very positive response. The reviewer, while doing wartime lecturing on foreign trade at St. John's University, in Shanghai had no better book to recommend to his students in this field; his one regret was that Shanghai university libraries at best have only a single copy. The volume here reviewed is the revised edition, first printed in September, 1945, and already in its third printing.

This is a big book of some 675,000 words, with numerous charts and tables, and yet it is easily read and remains interesting from start to finish. The revision is a thorough one, and leads far beyond the first edition. This has been achieved not only through the inclusion of the trade facts and figures for the decade 1935-44, but also through the exploration of a few new fields and a general streamlining of the whole.

The new material includes, in particular, modern communications lines such as aviation and radio telegraphy. There is a good new chapter on colonialism and its importance to the imperialist countries. A whole and very persuasive chapter is devoted to setting forth the full importance of foreign trade to the United States. The opening chapter on foreign trade as a vocation, absent from all other books on the subject, is more attractively written than ever.

The treatment of principle is reduced to the minimum; some may feel it is overmuch reduced. Yet sound grasp of principle underlies the text of every chapter, and Horn never deviates from the progressive interpretation which he gives to the principles of old. He preaches: foreign trade is of all-round benefit to all concerned; a bigger foreign trade makes for greater prosperity; the U.S.A. and other countries need bigger and better foreign trade; protectionism, prohibitionism and isolationism are easily overdone, costly and harmful—and Horn does not fail to show that these are the facts.

The final quarter of the book is given, as in the first edition, to a detailed exposition of the practices of exports and imports. After what we have seen in Shanghai of lack of insight and knowledge, of inefficiency, of negation of the most elementary of the trade principles on the part of so many businessmen actually engaged in foreign trade, the reviewer feels that every second one of them could make no better immediate investment than to buy Horn's book and learn how to make fewer mistakes and get better results.

Horn, of course, writes as an American, and his view of the subject is that of a progressive American looking out upon the world from the United States. A European writer on the same subject would have dwelt more on the problems, viewpoints, and recent experiences of the supposed Old World. Horn, for instance, makes no mention even of quota and license systems, of compensation and barter agreements, of export-import link policies. The great commodity exchanges of London and Liverpool are ignored. The high degree of cartelization in the shipping world, through tariff conferences and freight pools, and generally the ever increasing concentration of foreign trade in ever fewer hands are left out of consideration.

Yet the merit of Horn's book is outstanding, and it is to be hoped that we shall soon see published on other subjects of economics books as progressive and as up-to-date as this one is in the field of foreign trade.

"Spelling" Chinese

BEGINNING CHINESE *by John de Francis. Published by Yale University Press, New Haven, Conn.,* 1946. 115 *pp.,* US$4. *Reviewed by J. G. Endicott.*

HERE is a text-book of spoken Chinese which does not frighten the beginner with a large number of complicated characters. It is a Romanized edition, based on a method of "spelling" Chinese which has been developed at Yale University. The method of spelling seems to be quite accurate and is easily understood by the student. The book is based on the accepted present-day theory that the way to study a modern language is by speaking it first.

The material is selected and arranged so that the principle of repetition as well as analysis can be applied. There are plenty of drill exercises and the exercises for translation have the English translation given in the appendix so that they can be used both ways, from Chinese into English and from English into Chinese.

Once the student has mastered the scheme of pronunciation, which is not difficult, the book can be used for self-study.

The introduction to the book suggests that "a teacher with little or no knowledge of English is to be welcomed" but such a teacher could not possibly use this book. What is needed is an additional appendix in which the Chinese characters for the drill exercises are given.

Record

AMERICAN DIPLOMACY IN THE FAR EAST 1942-1943. *A collection of official press releases and statements of the Department of State, addresses of official spokesmen, as well as reports and debates of the Congress of the United States from January* 1, 1942 *to December* 31, 1943. *Edited with a Foreword by K. C. Li. Woolworth Building, New York City.* 1946. 912 *pp. Reviewed by Urii Sdobnikov.*

THE first of this series of compilations of official documents recording the progress of history in the Far East published by Mr. Li covers the year 1938, and this volume is the fifth in the series. It is dedicated to President Franklin D. Roosevelt who, as the editor says, "strove to make the American people realize that the war in Europe and the war in Asia were part of the same struggle—the struggle for freedom."

Inasmuch as there is no commentary to go with the official documents, little can be said on the subject matter, aside from mentioning the fact that such a collection of official material is undoubtedly a most welcome event in the life of every student of Far East diplomacy.

This volume, covering 1942-1943 is of particularly great interest to those who were forced to remain in the "outer darkness" of occupied China, whether at liberty or in concentration camps. The news blackout that prevailed throughout the occupation prevented a large number of people from realizing what had been said on the other side of the ocean and in Free China.

Reading through the volume one recaptures the events and the mood of 1942-1943, the "darkest moment of China's long uphill struggle against aggression." A very interesting part of the collection of documents is the numerous speeches and addresses by former U.S. Ambassador to Japan Joseph Clark Grew, before various public bodies throughout America.

Documentary

AMERICA'S FAR EASTERN POLICY *by T. A. Bisson, Published by the International Secretariat, Institute of Pacific Relations. Distributed by the Macmillan Co., New York,* 1945. 230 *pp.,* US$3.00. *Reviewed by S. E. Shifrin.*

THE usual American geographical break-up of Asia subdivides the continent into the Far East, Southeast Asia and the Middle East. While the Middle East has problems peculiar to itself the Far East and Southeast Asia form an integral part of the Pacific picture. Naturally enough American policy toward China and Japan overshadows everything else, but the author does not seem to be quite sure of the scope of his study undertaken for the I.P.R. Inquiry Series.

Practically disregarding American relations with India, Siam, New Zealand and Australia as belonging to Southeast Asia he senses the close connections existing between these countries and China, Japan and the Philippines enough to compromise by barely mentioning these countries in the concluding chapter on post-war problems.

Mainly discussing American policy toward China and Japan since 1931, it is a documented story of American attempts at peacefully upholding the "open door" policy and the final clash with expansion-bent Japan. This is the true scope of a study which telescopes all previous events into one chapter, and one-third of which consists of documents.

It is a handy reference on Sino-Japano-American relations during this period, with a date on nearly every page. For more comprehensive treatment of American policy in the Far East, both in space and time, one has to look elsewhere.

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9.36	11.54	13.55	16.14	1.22	2.08	2.50	20.05	9.35	23.30	A D	12.11	13.24	15.14	16.27	20.10	3.39	4.26	10.15	20.55	15.40
9.42	12.06	14.02	16.23	1.29	2.15	3.00				WUSIH A	12.04	13.18	15.08	16.21	20.03	3.33	4.19			
10.31	12.59	15.01	17.09	2.27	3.13	4.05				A D	11.17	12.22	14.05	15.20	19.16	2.35	3.30			
10.40	13.08	15.15	17.19	2.37	3.25	4.13				CHANGCHOW A	11.06	12.09	13.55	15.08	19.06	2.24	3.20			
11.38	14.00	16.13		3.56	4.29	5.16	Suspended on Sunday	Run on Sunday	Run on Sunday	A D		11.09	12.40	14.05	18.12	1.07	2.03	Suspended on Sunday	Run on Saturday	Run on Sunday
11.41	14.03	16.17		4.00	4.33	5.20				TANYANG A		11.05	12.36	13.55	18.03	1.02	2.00			
12.18	14.40	17.01	18.46	4.46	5.18	6.02				A D	9.32	10.28	11.41	13.07	17.23	0.09	1.07			
12.25	14.45	17.17	18.53	4.55	5.27	6.09				CHINKIANG WEST A	9.24	10.21	11.38	12.59	17.15	23.56	1.00			
13.55	16.10	18.50	20.20	6.30	7.15	7.50				A NANKING D	8.00	9.00	10.00	11.00	15.45	22.00	23.00			

FARE LIST

STATIONS	Kilo.	I Class Ordinary Express		II Class Ordinary Express		III Class Ordinary Express		"Triumph" Express, Nanking & Hangchow Excursion Through Expresses I	"Triumph" Express, Nanking & Hangchow Excursion Through Expresses II	"Tai Hu" Excursion
SHANGHAI N. TO:—										
KUNSHAN	52	4,000.	10,000.	2,000.	5,000.	1,000.	2,500.			
SOOCHOW	87	8,000.	10,000.	4,000.	5,000.	2,000.	2,500.	19,500.	10,500.	20,000.
WUSIH	129	10,000.	12,000.	5,000.	6,000.	2,500.	3,000.	19,500.	10,500.	20,000.
CHANGCHOW	168	14,000.	16,000.	7,000.	8,000.	3,500.	4,000.	19,500.	10,500.	
TANYANG	213	16,000.	20,000.	8,000.	10,000.	4,000.	5,000.	30,000.	16,500.	
CHINKIANG WEST	243	18,000.	22,000.	9,000.	11,000.	4,500.	5,500.	30,000.	16,500.	
NANKING	312	24,000.	28,000.	12,000.	14,000.	6,000.	7,000.	30,000.	16,500.	

SHANGHAI-HANGCHOW LINE
TIME TABLE

23	21	61	67	25	1	41	27	TRAIN NO.	24	42	2	68	26	22	62	28
I, II III Exp.	West Lake Throu.	II, III Ord.	IV Mixed	I, II III Exp.	I, II H'chow Throu. Exp.	II, III Ord.	I, II III Exp.	STATIONS	I, II III Exp.	II, III Ord.	I, II N'king Throu. Exp.	IV Mixed	I, II III Exp.	West Lake Excur.	II, III IV Ord.	I, II III Exp.
6.45	8.00	8.15		11.30	16.00	16.15	22.45	D SHANGHAI NORTH A	9.15	12.15	12.35		18.55	20.05	22.30	23.30
7.05	8.16	8.36	9.00	11.53	16.19	16.36	23.06	D SHANGHAI WEST D	8.58	11.55	12.20	17.20	18.37	19.49	22.13	23.12
7.49		9.46	10.29	12.38	17.03	17.46	23.50	A D	7.51	10.44	11.26	15.29	17.48		21.00	22.16
7.54		9.56	10.40	12.48	17.08	17.51	23.55	SUNGKIANG A	7.47	10.38	11.21	15.22	17.39		20.54	22.11
9.02	10.02	11.40	12.50	13.50	18.16	19.23	1.06	A D	6.35	9.04	10.13	13.10	16.20	17.54	19.25	21.00
9.16	10.08	11.50	13.15	13.58	18.26	19.33	1.16	KASHING A	6.28	8.55	10.04	12.45	16.11	17.47	19.12	20.50
10.00		12.33	14.52	14.32	19.01	20.16	1.50	D YEHZAH D	5.56	8.14	9.31	11.53	15.39		18.29	20.18
10.31		13.18	15.56	15.04	19.32	21.01	2.21	A D	5.23	7.27	8.58	10.40	15.06		17.42	19.34
10.36		13.26	16.10	15.11	19.37	21.06	2.26	CHANGANTSENG D	5.19	7.22	8.54	10.27	15.02		17.37	19.27
11.30	11.55	14.45	18.10	16.20	20.30	22.20	3.25	A HANGCHOW D	4.25	6.10	8.00	8.30	14.00	16.00	16.25	18.25

FARE LIST

STATIONS	Kilo.	I Class Ordinary Express		II Class Ordinary Express		III Class Ordinary Express		"Triumph" Express, Nanking & Hangchow Excursion Through Expresses I	"Triumph" Express, Nanking & Hangchow Excursion Through Expresses II	"West Lake" Excursion
SHANGHAI N. TO:—										
SUNGKIANG	45	4,000.	10,000.	2,000.	5,000.	1,000.	2,500.	19,500.	10,500.	
KASHING	99	8,000.	10,000.	4,000.	5,000.	2,000.	2,500.	19,500.	10,500.	15,000.
YEHZAH	126	10,000.	12,000.	5,000.	6,000.	2,500.	3,000.	19,500.	10,500.	
CHANGANTSENG	151	12,000.	14,000.	6,000.	7,000.	3,000.	3,500.	19,500.	10,500.	
HANGCHOW	190	14,000.	18,000.	7,000.	9,000.	3,500.	4,500.	19,500.	10,500.	25,000.

NANKING-SHANGHAI RAILWAY SYSTEM ADMINISTRATION

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